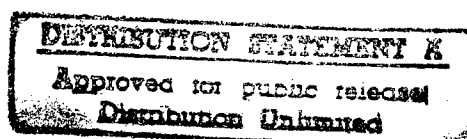




JPRS Report



Near East & South Asia

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ALGERIA

NPA President Meets With Kim Il Song

91AA0383D Algiers AL-SHA'B in Arabic 28 Apr 91 p 3

[Article: "Belkhadem Met by Kim Il Song"]

[Text] Mr. Abdelaziz Belkhadem, speaker of the National People's Assembly, who is leading the Algerian delegation to the proceedings of the 85th conference of the International Parliamentary Union, was met last Thursday morning by President Kim Il Song.

The talks held by the two sides were attended by Mr. Yong Hyong Sub, speaker of the Supreme People's Assembly, Mr. Cha Pong Ju, deputy minister of foreign affairs, and Mr. Mukhtar Riqyaq, Algeria's ambassador to the Democratic People's Republic of Korea. The talks, which were held in a friendly atmosphere, dealt with bilateral, international, and regional issues of joint interest.

The Korean head of state expressed his pleasure at the presence of the high-level Algerian parliamentary delegation in Pyongyang. He asked the speaker of the National People's Assembly to convey to President Chadli Bendjedid his feelings of friendship and esteem and his hopes for the progress and prosperity of the friendly Algerian people.

President Kim Il Song spoke at length about the traditional nature of the relations of friendship and solidarity that were established during the difficult circumstances of the heroic, revolutionary struggle of the Algerian people against colonialism. Regarding the present international situation, the Korean president concentrated on the need for Third World and non-aligned countries to unite their efforts and support mutual consultation among themselves. He stressed that they must show solidarity to defend their sovereignty and independence and to thwart all the attempts of imperialism that aim to spread its influence over countries that wish to threaten its security.

Finally, Mr. Kim Il Song expressed Korea's desire to develop relations of bilateral friendship, cooperation, and solidarity with Algeria, as well as to develop mutual consultation and dialogue between the two countries.

For his part, Mr. Abdelaziz Belkhadem particularly emphasized Algeria's firm support for the peaceful and independent unification of Korea.

The speaker of the National People's Assembly afterwards left Pyongyang, having been bidden farewell by Mr. Choe Ti Pok, a member of the Politburo of the Korean Labor Party, high officials in the Ministry of Foreign Affairs, the Algerian ambassador Mukhtar Riqyaq, and members of our embassy in Democratic People's Republic of Korea.

Column Criticizes U.S. Behavior Toward Arabs

91AA0376B Algiers AL-MUJAHID in Arabic 26 Apr 91 p 14

[Commentary by Mohamed Yahya Wahhab]

[Text] The WASHINGTON POST's insistence on describing Algeria as a country that possesses a nuclear weapon reminded me of the British scenario that America used in preparing the climate for armed intervention in the Gulf.

Disregarding the behavior that helped America and the allies achieve what they called a review of the balance of power in the Gulf, the matter of "interference," in the estimation of experts, remains one of the most important motivations that led to the destruction of Iraq and its subsequent division.

However, the question that I pose, as Algeria declares its absolute denial of the persistent American claim, is why has Algeria been nominated, immediately after Iraq, as a strategic goal in the North-South conflict game, at this time in particular, even though Algeria—and this is a fact—clearly employs a policy of positive neutrality and adheres to fundamental positions that accept neither intervention in the internal affairs of other countries nor the settlement of "problems" by force, regardless of the justification?!

To respond to this question, I recall to mind the nature of the conflict imposed on the Arab nation—and Algeria is part of this nation—as a result of the encroachments on the right of international legitimacy that have occurred since the state of Israel was established in the absence of any Western opposition, and I ask, again, what does America want from Algeria and what is the "trend?!"

The evidence states that America planned to curb the role of the Islamic revolution in Iran by exploiting a disagreement between two peoples, supporting both of them to ignite the "fuze" of a war that lasted eight years. With the return of Islamic awareness to the warring friends, America pushed the crisis in another direction.

The evidence shows that Algeria has continued to reject war between friends and has striven to bridge the gap between views within the framework of what is allowed by the fundamental positions of the November Revolution. Consequently, Algeria has spared nothing in its efforts to help the two peoples.

However, America, which apparently has desired to guarantee Israel's strategic "superiority," has deemed "Algeria's role" discordant and its plans an impediment to what it believes is appropriate. America thus began to encourage a media campaign against Algeria. That is a fact.

Another fact is that Algeria, which believes in the necessity of the victory of peoples, does not conceal its position of "support" for revolutions aimed at becoming

free of "Western" and non-Western control in different regions of the world, including Palestine, which is firmly opposing liquidation and extermination conspiracies. America naturally does not accept Algeria's position in this regard.

Another fact is that Algeria, which rejected Iraq's occupation of Kuwait and opposed it with the responsibility of one who is aware of the results, did not hide its opposition to the vicious American attack against Iraq's inviolability and the unity of its resistant people and soil.

Algeria now sides with the people of Iraq and is supporting them to the extent possible. Just as America rejected Algeria's position on the war between friends [i.e., the Iraq-Iran War] and its support of Palestine, it rejects Algeria's support of the people of Iraq, and it regards this position as a type of positive opposition to the American course. Based on these premises, which are "hostile" to Algeria's firm positions regarding other peoples' causes, the truth of America's "intentions" in "persistently" describing Algeria as a country that possesses a nuclear weapon becomes clear as a prelude to direct intervention in the internal affairs of Algeria, which is engaged in a new experiment in democracy as a method of unparalleled features, which do not accept, regardless of the justifications, any attack against the revolution's fundamental positions, which guarantee peoples' right to freedom and self-determination.

Lest these words be mere pronouncements devoid of content, America must review its ways of dealing with peoples, and it must not overstep the boundaries of what it has called international legitimacy, because international legitimacy is the sole guarantor of international security and only it "can" provide the conditions for cooperation with the new international "order" based on mutual confidence between the North and the South.

As for Algeria, it has realized the importance of utilizing "scientific development" to benefit and serve peoples since it decided to reclaim the people's sovereignty in November 1954. It has adhered to fundamental positions that oppose violence and colonialism, and it has proven the sincerity of "its intentions" in difficult circumstances through conscience, positive neutrality. It has not aligned itself with any party in the East. How does it now align itself with another party in the West?

I believe that America, which is capable of feeling the pulse of the South, is also capable of appreciating the responsibilities stemming from "attacking" the inviolability of the South, of which Algeria is a part by all accounts.

I advise an objective review of relations between peoples, instead of wandering in search of [grammatical] conjunctions and affirmation and negation particles.

FFS Leader Discusses Education, Palestinians

91AA0384A Nicosia AL-HURRIYAH in Arabic 7 Apr 91
pp 26, 27

[Interview with Hocine Ait Ahmed, FFS general secretary, in Algiers on 15 March; interviewer not identified: "AL-HURRIYAH Interviews Hocine Ait Ahmed"]

[Text] [AL-HURRIYAH] You recently held your first conference. What is your assessment of this conference?

[Ahmed] The conference constituted a victory of democracy and for democracy. Democracy is not merely a term, a catchword, or a magic wand; it is something to be struggled for and practiced.

The Socialist Forces Front (FFS) was founded because we rejected halting the history of the revolution and rejected its sliding. Democracy for us meant 28 years of struggle—arrest, prison, exile, and assassination. Furthermore, ever since our party was legalized as a political party, the authorities have been falling back on political and media maneuvers. In order to put obstacles before us, the one-party government has still not granted us a party headquarters. I think that merely holding the conference constitutes a victory, thanks to the will and alertness of the men and women activists of this party of ours. That is the first point.

Second, the conference is the fruit of an uninterrupted exercise in democracy. Our party activists have previously held many local and regional conferences. A national forum attended by 900 cadres was held last October—a virtual conference—to guarantee democratic representation for the conference and to test the structures and organs of our party. All members of the former FFS leadership went back to the grass roots to face reelection.

Third, the conference constituted a great national political gain in our country and offered an example of democracy. The greatest indication of this was the openness that dominated the actions of the conference for four full days. For our activists, the party is only an instrument in the hands of society's members and its toiling masses. The goal is to exert great efforts to render the democratic course successful, educate citizens to it, mobilize vital forces to protect and expand democracy, and build a society where freedom, happiness, and tolerance prevail. The FFS believes that Algeria's destiny is bound up with the destiny of Greater North Africa. Among the resolutions of our conference was one for an earnest and rapid effort to build a North Africa of human rights. By this I mean ending the monopoly that governments hold on the idea of North African unity—the North Africa of police. Traditions of unity must be revived at the North African level as they prevailed at the time of the war of liberation, for example, in the Union of North African Students, the Union of North African Professional Associations, etc.

We believe that building North African unity as an economic, political, and military unity will tend to promote and accelerate the other unity movements in the Arab world on objective, healthy, foundations, not on ad hoc or emotional foundations. As an axiom, the FFS is committed to backing the Palestinian cause, supporting the PLO, and supporting and respecting the independent strategy and will that the PLO sets forth. I believe that the issue of Palestine is one of the major international issues and that there can be no stabilization of international security and peace without a solution to it.

Fourth, the conference was marked by democratic election of our party organs. The 261-member National Council was elected by secret ballot—the first time in Algerian history that it was used instead of approval by show of hands. The conference proceedings were extended an extra day for this reason. We made a point of breaking down the “wooden language” that has prevailed in the country’s action and thought since independence, in keeping with a new discourse and with new words and structures to encourage and develop consciousness and thought. When we say that we must strike a powerful blow, that does not mean resorting to violence. We are advocates of civil peace, of not resorting to violence. A powerful blow, in the political sense, means shaking the feelings and consciences of intellectuals who are part of the silent majority.

Fifth, I favored a plurality of nominations for the post of secretary general. Other contenders were in fact nominated at the conference out of concern for democracy and as an exercise of it.

Balance of Representation

[AL-HURRIYAH] The elected secretary general has the power to appoint the Executive Bureau. How do you explain this?

[Ahmed] The report of the Constitution and Bylaws Committee provides for election of the Executive Bureau by the National Council. For the sake of balance between governorates and to avoid representation of the big governorates at the expense of the smaller and less populous ones, I suggested to the conference that the general secretary should propose to the National Council the members of the Executive Bureau from among the members of the National Council. The conference agreed.

We Are for Modernized Arabization, Cultural Pluralism

[AL-HURRIYAH] What is your party’s view of the cultural question? How was it dealt with in the conference?

[Ahmed] All proposed resolutions were debated with fervor, but with a sense of responsibility at the same time. Fortunately, we held study days on the educational system—the education section—on the eve of the conference meeting, from 28 February to 1 March 1991.

These made it possible for us to find the necessary solutions for discussion at the conference. As for Arabization, we are for developing and modernizing it, so as to raise the educational level of schools. We are not for unprepared Arabization. One must therefore review educational procedures and methods. Also, we are for teaching the Tamazight language in schools, without creating a rival to linguistic pluralism. This is in keeping with our understanding of democracy in Algerian society. The national unity to which we aspire does not have to marginalize or deprive anyone. We have stressed the need for free education until age 16 and the need to use foreign languages in colleges and universities, so that students will have access to greater knowledge and research and will be open to the world.

The basic concern in our country is the high cost of living. An important aspect—the cultural aspect—has been neglected, especially publications, books, and printed materials. The available books are semimeta-physical and semireligious. People need useful cultural sources at reasonable prices more than they need the recitation of Koranic verses.

We Will Enter the Elections To Defend Democracy

[AL-HURRIYAH] Legislative elections appear to be at hand. What is your election platform? What preparations have you made?

[Ahmed] Yes, we hurried to hold our conference in order to face the legislative elections. We still do not know the date they will begin. We go from one surprise to another. We do not know the date for which they will be organized, how the election districts will be drawn, or the elections law. We would have liked to have postponed the conference in order to prepare more for it, but the legislative elections forced us to hold it quickly. We are determined to participate, regardless of conditions of preparation for these elections on the national level. We are interested in opening dialogue with all democratic forces.

Palestinian Concern

[AL-HURRIYAH] You personally, along with your party, have a distinguished position on the Palestinian issue. With the end of the Gulf war, there are attempts to impose new American conditions on the revolution and the PLO, with the aim of eliminating the national rights of the Palestinian people. What efforts have you made in Algeria, the North African countries, and elsewhere? Are there any practical steps in this area?

[Ahmed] In the wake of the disasters that the Arab peoples have suffered due to the Gulf war, we must seize the opportunity before it is too late. There are historic opportunities that must not be wasted.

First, on the Arab official level, initiatives must be made on all levels, with agreement at minimum among the

Arab governments to impose a solution to the Palestinian problem on the basis of United Nations resolutions. The time has come to apply international law fully and justly in the framework of the international conference to solve all the region's crises, especially the Palestinian problem. This is the priority issue in the Arab-Israeli conflict. It must be given precedence over the issues of disarmament between the Arab states and Israel and the possession of nuclear weapons. That is another subject and comes after a solution to the Palestinian issue and the Lebanese problem.

Second, on the popular level, there must be movement and serious action to put pressure on the official Arab position and on Europe to bear their responsibilities. We are determined to continue the North African initiative by calling for convening a conference of Mediterranean basin political parties and personalities in Tunisia in April.

Businessmen, Officials Differ on Trade Reforms

91AA0376A Algiers AL-SHA'B in Arabic 24 Apr 91
pp 1, 3

[Article by Selwa Raouabhiya]

[Text] Despite the great efforts made by the government's representatives to convince businessmen of the need to adapt to the current circumstances and transcend the difficult stage being experienced by the country by relying on very limited financial and material capabilities, some businessmen are not concealing their grumbling over not receiving satisfactory replies to their many concerns. These concerns focus primarily on the compensatory charge, but also include avoidance of the dangers of a decline in the dinar's value and the protection of Algeria's productive sector in general.

The remarks made by businessmen to representatives of the main banks and the Bank of Algeria in the presence of Mines and Industry Minister Sadek Boussena and Deputy Trade Minister Smail Goumeziane did not add anything new to what has been mentioned in the first two days. Those present heard additional explanations regarding relations between businessmen, the main banks, and foreign transactors, as well as the obstacles which the private sector faces in dealing with foreign financiers, especially regarding their unwillingness to provide "short-term source loans." Some of the businessmen made contradictory remarks. Thus, some believe that national organizations in general are operating at 25 to 30 percent below their productive capacity and cannot be compared to foreign factories. One said: "We are not opposed to this process, but why have we allowed the creation of mixed companies; what will we gain by merging organizations not operating at capacity with foreign organizations?"

However, others believe that Algerians can participate in the "BOJO" Company, for example. The deputy governor of the Bank of Algeria, 'Abdelkader Belgharbie,

responded to several questions. He focused on the directive issued two days ago granting freedom to import to any interested party, including both public and private businessmen, provided that they maintain a "debts ledger." Also, if the sums required for imports exceed \$2 million, the bank will not prohibit the importation, but the concerned party must contact a foreign financier directly, to prevent the recurrence of problems that arose in the past regarding the conclusion of large contracts, according to Belgharbie.

For his part, Goumeziane tried to clarify several points brought up by private businessmen regarding the economic situation in general and the decline of the dinar in particular. Goumeziane said that the dinar has been declining for close to 30 years, but he attached no importance to that, adding that if the collapse was sudden, everyone is responsible, because reforms are difficult, and we must all bear the burdens of reforms in this transition stage. He concluded by sternly stating: "We have decided to eliminate all supports for imports, excluding high-consumption items and primary materials."

It seems that the remarks of Sadek Boussena, who insisted upon calling them "generalities," met with a kind of satisfaction on the part of businessmen, especially when he expressed his great support for the recommendations and remarks of those present.

Article Faults Convertible Bonds, Bank Reforms

91AA0331B Algiers AL-SHA'B in Arabic 1 Apr 91 p 2

[Article by Saliha Maoush: "Banking Apparatus Hides Behind Reforms"]

[Text] Devaluing the local currency to make it convertible and getting a positive interest rate are two fundamental points in reforming the banking systems of the Third World countries that embrace the market-economy line. The United States has imposed this type of currency reforms on weak countries. It has done so to contain them and to bring them into line with the capitalist system, which that has proven its usefulness and that has no rival, especially since the socialist system has collapsed in its stronghold and has weakened throughout the world and has joined the internationally-stronger system.

It seems that like all Third World countries, Algeria is marching on the path of fiscal and banking reforms and is strenuously seeking to implement the two fundamental points through credit and currency law. Transforming the national currency into a convertible currency through constant devaluation has a direct impact on the citizen's purchasing power because inflation goes unchecked and becomes difficult to control. The lower the dinar's value, the lower the consumer's purchasing power drops until real work becomes a true indicator of the currency volume circulated in the market. In other words, this is the process of fighting inflation by withdrawing the surplus currency mass from the market.

Here, the government uses all means to fight inflation. We have recently seen the Bank of Algeria issue convertible bonds and subject them to certain conditions, such as the surety sum which has to be kept by the bank for a certain period of time. The bank representatives have not explained the true basic objective behind this process. However, we can say that the process has numerous objectives, one of which is to encourage the citizen to save in the form of medium-range (three-year) deposits that yield no noteworthy interest. We find this to be in violation of the saving laws because the bank is not offering [rewarding] interest rates for savings. Consequently, the bank keeps for itself that which it should pay the saver. (So, what can we call this process?). At the same time, we notice that there are many contradictions connected with this particular point. The bank is encouraging people to save at a time when prices are rising at amazing and unreasonable rates. In this situation, the citizen finds himself compelled to spend on consumption. Here, we wonder: Is there coordination between the Bank of Algeria and the Ministry of Economy? In other words: Are you encouraging saving or consumption? Or is it a chaotic condition in which every sensitive government agency is trying to prove its worthiness?

What is more serious than the issue of interest in the convertible bonds is the fact that the depositor, if he is a merchant, is denied the use of his money for a certain period of time. Moreover, this freezing of money will reduce its face value by virtue of the government program that seeks to devalue the dinar. Consequently, the value of the money will be greatly eroded after a certain period of time. In this case, the bank should pay the saver at the end of his deposit term an additional sum of money that takes inflation and currency devaluation into account. In addition to these contradictions in the currency conversion issue, the exchange process made by the bank, i.e., the exchange of 1,000 Algerian dinars for a sum that is four or five times less [as published] every six months, is tantamount to codification of the black market. In other words, it is tantamount to having the banking system replace the black marketeer in changing money. The danger of this process emanates from the fact that the currency black market has become a referential market in whose light currency prices are set. This is a very serious phenomenon to the national economy because it means that we have to accept speculation and turn the black market into an official market.

Let us return now to the second point connected with reforming the banking apparatus and embodied in offering real and positive interest rates. We say that the Bank of Algeria has adopted a new policy that gives it broad powers, considering that it has raised the interest rates it collects for loans it makes to the national institutions, charging an interest rate of 10-14.5 percent for short-term loans and 15.3-20 percent for medium and long-term loans. The bank has also tied these loans to difficult terms and has raised the rediscount rate it charges the major banks so as to pressure them to reduce the volume of the loans they make to public and private

institutions. As we have already said, this new banking policy seeks to establish positive and real interest rates. Toward this end, the Bank of Algeria will continue to raise interest rates at the expense of institutions until it accomplishes its objective.

Finally, we cannot but say that banking system reforms derived from the new international system will be accomplished and that they will attain their objective at the expense of the Algerian citizen and the public sector.

First Consumer Wholesale Market Opens in Constantine

91AA0331A Algiers AL-SHA'B in Arabic 30 Mar 91 p 3

[Article: "Supply in Constantine; From Producer to Consumer; First Direct Producer-to-Consumer Sale Market Opened"]

[Text] ALGERIAN NEWS AGENCY—The first direct producer-to-consumer sale market has been opened with an initiative by the wilaya which, through this lasting pragmatic measure, is playing a role in fighting inflation and preserving the consumer's purchasing power.

The author of the initiative has stressed that the act is not just a circumstantial act but a long-range initiative that seeks to revive the tradition of the open popular markets that are frequented by consumers who find in them various goods at reasonable prices.

Starting with the early morning hours, big trucks belonging to wholesalers and producers of widely consumed goods—milk and milk derivatives, "sumbak," and grains—head for the market to wait for private farmers who have pledged to sell their products in this market.

Consumers received with great satisfaction this process of direct sale which will be spread to other parts of the city that have a high population density. Many have exploited this opportunity to purchase goods at [good] prices. For example, a carton of eggs has been sold for 48 Algerian dinars instead of 65 dinars, high-quality oranges for eight Algerian dinars, and meat for 83 Algerian dinars. This is in addition to dates and dried vegetables. The entry of producers to these markets will contribute to bolstering the balance which will be established by these free-trade zones that seek to bring down prices. This is an objective that can be accomplished, especially since some producers have proposed that potatoes be sold at six Algerian dinars.

While waiting for similar markets to be opened in the city's other quarters, the process has proven its worthiness in preserving the purchasing power of the consumers who have endured a great deal since the beginning of the month of Ramadan.

Report Tracks Construction, Public Works Problems

91AA0375B Algiers AL-MUJAHID in Arabic 26 Apr 91
p 11

[Report by Abdelkarim Ramadani]

[Text] The structural, economic crisis, which has been eroding the national economy for some time, has extended recently to the construction and public works sector (both public and private) causing a drop in the activity in this vital sector, the number of private organizations operating in it, the volume of investments in it, and, consequently, a drop in production and employment in this sector.

Given the importance of this economic and social sector, and its position in the national economy, the government has devoted special concern to it. It has attempted to solve its accumulated problems, provide the conditions needed for its recovery, and furnish it with the means to compete freely in a market economy environment.

The government's concern is embodied in the protocol of a recent agreement between it and the Private Contractors Association, which provides for the establishment of permanent monitoring and follow-up bodies.

This sector's economic and social importance can be summarized in the following elements:

The Sector's Structure

The construction and public works sector is composed of two legal sectors, which are:

- The Private Sector: The number of units (organizations) operating in the private construction and public works sector is estimated at about 7,464 organizations or units, most of which are small units, compared to about 20,000 organizations in 1976. The private sector employs 15 percent of the workers in the entire sector and contributes 20 percent of the sector's total product.
- The Public Sector: It includes 1,048 domestic organizations, both medium-sized and large-sized. They account for about 80 percent of the sector's product and employ about 85 percent of its manpower.

Investments

Public investments are estimated at about 19 percent of the GDP in 1980 and 26 percent of the GDP in 1988. During the same period (1980-1988), these investments totalled about 746.34 billion Algerian dinars, or 82.92 billion Algerian dinars per year, of which 35 percent was financed by the general state budget during the same period. The governmental share of these investments dropped recently to only about 10 percent of all investments in social construction.

Employment

Until recently, this sector employed more than 566,537 workers, or 20 percent of all nonagricultural workers, including about 100,000 in the private sector, 384,007 in the [public] construction sector, and about 182,530 in the public works sector.

Production

In 1980-1988, the construction and public works sector contributed 22 percent of the GDP and realized an added value of 42.73 billion Algerian dinars, i.e., an average of 75,442 Algerian dinars per worker.

The Most Important Manifestations of the Crisis in the Sector

This sector, which is important on more than one level as shown by confirmed statistics, has not escaped the crisis and its effects. On the contrary, the crisis has affected it sharply. The number of organizations in the sector has declined considerably compared to the seventies (20,000 in 1976 compared to 8,000 in 1990). New units have been unable to survive, while others have barely survived, verging on bankruptcy.

The basic phenomena of this strangling crisis are:

- The unemployment of material and human productive capacities, which exacerbates the severity of the housing and unemployment crises in the country.
- A shortage of basic construction materials and a lack of organization and deficient distribution of available materials.
- The obsolescence of equipment and machinery, and the inability of most public- and private-sector organizations to refurbish and renew their equipment and machinery in keeping with technological developments, because of the financial deficit that has plagued the sector for years.
- The non-payment by the state of debts estimated at 1,000 billion centimes, according to several estimations, and the knowledge that the public sector's situation is no better.
- An increase in the tax burden (especially after the increase in compensatory charges), the decline in the dinar's value, and large increases in the prices of construction materials, especially recently, which has exacerbated the severity of the crisis. For example, wood prices have increased at very high rates as indicated in the table [untranslated].
- The deterioration of factories that produce for export has compounded the crisis, so that we now import all of our wood needs.
- Given that demand for wood always exceeds supply, the wood market has never known price stability. However, curtailing demand by raising prices excessively has a very damaging effect on production, manpower, and productivity.

Because of these and other considerations, the government has no choice apparently but to freeze prices for a

specific period to curb inflation and maintain the citizens' purchasing power, especially given that any economic recovery measure must necessarily control this unhealthy monetary phenomenon.

Visible Horizons

Available statistics point to a high rate of increase in social demand for housing of various types during the coming years, which means a growth in demand for construction materials in excess of our ability to import. Therefore, experts do not expect an improvement in this sector until 1993. National capabilities range between 62,000 to only 229,000 housing units per year.

Also, new investments in the sector are not expected to increase appreciably for obvious reasons. This requires the government to intervene intensively by investing and providing the conditions needed for the recovery process, through such practical measures as:

- Granting special priority to the importation of construction materials and inputs to increase the supply of these materials.
- Freezing prices for a specified period, until organizations can catch their breath, to maintain purchasing power and control monetary inflation.
- Subsidizing several construction materials to encourage workers in this sector, maintain the labor force, and absorb unemployment.
- Strictly regulating the market and controlling the distribution process according to clear priorities.
- Providing the necessary financial facilities, especially to organizations suffering from financial difficulty.
- Increasing the volume of governmental investments in this sector, given the private sector's limited capabilities, the volume of demand, and the expanding scope of the social housing crisis, which now threatens stability itself.

EGYPT

Writer Questions Role of World Council of Churches

91AA0373A London AL-MAJALLAH in Arabic
16 Apr 91 pp 34-35

[Article by Fahmi Huwaydi: "What Does the World Council of Churches Want From Us?"]

[Text] The Coptic question is not just our concern as Egyptians, as one might think; in the region's equations and calculations it is a card whose importance varies from one moment to another. In light of the present Islamic tide, the card is acquiring special value in the calculations of outsiders who are "interested" in the future of the region—not to say who "plot" or "devise."

From this angle, the choice of the Patriarch of Egypt's Copts, Amba Shenuda, as one of the presidents of the World Council of Churches is a striking event that needs to be pondered and discussed.

The news was announced on 4 March at the close of meetings by the World Council of Churches in the Australian city of Canberra, but did not gain a sufficient reading because our Arab world was preoccupied at the time with the Gulf war and its effects.

The issue has many parties, and it is important that we define and become acquainted with them before we discuss the event and its significance. The World Council of Churches itself heads the list of these parties; next comes the Egyptian Coptic Church; finally, there is the role of Amba Shenuda, who now heads that church.

Various sources point out that the Council of Churches was born officially in 1948, in the wake of World War II, and that since its birth it has not been distant from the Cold War between the capitalist and communist camps. It was a tool to put pressure through the church on the communist regimes.

To achieve this goal, the world's churches were mobilized and gathered under the umbrella of this council, whose leadership was taken by the European and American Protestant churches. At present, the council includes more than 300 churches from different parts of the world.

However, the idea of gathering the churches into one body was not the child of that period; it emerged early in the present century and had a different goal. In 1910, the first World Missions Conference was held in Edinburgh, Britain, with the aim of unifying the activity of missions sent by the European churches throughout the world, particularly Asia and Africa. The International Council on Missions was formed at that conference, primarily to coordinate evangelism efforts.

Two attempts subsequently emerged to bring together Christian groups of different sect and affiliation. The first of these was a movement known as "Life and Work," which held its first conference in Stockholm in 1925, and its second conference in Oxford, England, in 1937. The goal of this movement was to try to bring together Christians of different doctrines at the level of practical life on the basis of Christian ethics about which there was no disagreement.

The second movement bore the name "Faith and Order," and its activity focused on rapprochement in the area of doctrine itself. Three conferences were held: Lausanne (1927), Edinburgh (1937), and Sweden (1952).

At the two 1937 conferences, which the two movements held in Oxford and Edinburgh, it was decided to merge the groups into a general council of churches, which would carry on activities on a wider scale than that of the Vatican, which represented the Roman Catholic Church alone.

Planning to establish the church council began in 1938. It was scheduled to convene in 1940 or 1941, but

conditions of the Second World War made this impossible. The council met for the first time in Holland in 1948. Its second meeting was held in the American city of Evanston in 1954.

Obvious Formation of a Political Bloc

We have a number of testimonies that throw light on the job of the council and the mission it has striven to promote since its establishment. We want to reread these testimonies here so as to be fully informed about the matter.

In an essay entitled, "The World Council of Churches on the Basis of Its History," published in 1963 by a group of Coptic intellectuals in Egypt, the following testimony appears:

"Politics, in the view of the World Council of Churches, are the area in which churches in the countries of Africa, Asia, and Latin America have a duty to work. Churches must not limit the scope of their activity to guiding individuals religiously. Churches that refrain from intervening in the politics of the countries in which they live must be opposed.

"It should be clear that the council, in departing from the position defined in Oxford in 1937 (separation of church and state), was acting consciously and deliberately. At its 1959 Thessaloniki conference, the council rejected applying the system of separation of church and state in developing countries as it is applied in developed countries. Instead, it wanted to make the church in developing countries invade the area of government activity and powers, since, in the view of the conference, the Western system based on separation of church and state could not be applied in the developing countries." (p. 19)

The Egyptian Coptic scholars reached the following conclusion in their study:

"We see the World Council of Churches a political bloc formation resting on a religious foundation. The membership of the other Orthodox churches in it does not diminish this fact, since this group represents only a small minority overwhelmed by the huge majority of votes belonging to the Western Protestant churches. Furthermore, when the latter churches use their aid to African and Asian churches as a weapon, this is bound to have an effect on the votes of their representatives during deliberations." (p. 43)

The well-known Egyptian writer Muhammad Hasanayn Haykal provides another testimony in his book, "Autumn of Wrath." He says the following:

"The council was formed in 1948, as the winds of the Cold War intensified. There is not the least doubt that the operation of establishing the World Council of Churches reflected the desire in certain American circles for religion to play a main role in the struggle against what those circles called 'atheistic communism.' In reality, this was a political battle, albeit disguised with a

veil of religion. Subsequent congressional investigations in fact proved that the World Council of Churches was one of the bodies that had obtained enormous amounts of aid from the CIA." (p. 341)

"On the chairman's platform the day of the opening session sat John Foster Dulles, subsequently the American secretary of state, and brother of the CIA's long-term head administrator, Allen Dulles. Dulles' speech from the chairman's platform at the founding session of the World Council of Churches is noteworthy. One of the things he said was: 'Our bringing the gospel of Christianity means that we are bringing the gospel of Western civilization.'" (p. 242)

According to the testimony of Professor Haykal, Jamal 'Abd-al-Nasir "realized the special importance of the Coptic Church and its fundamental role in Egyptian history. He was also conscious of attempts by the World Council of Churches to bring it into alignment." (p. 345)

According to the same testimony, Amba Samuel, the Coptic Church's bishop for services, whose duties included liaison with other churches such as the Vatican and Canterbury and with the World Council of Churches, was able to obtain many appointments for certain Coptic families as agents of major banks, especially in West Germany, which at that time had begun to play a conspicuous role in the activity, funding, and direction of the World Council of Churches after American funds for the council were affected because of exposure of the council's relation to the CIA. After Amba Samuel was killed with President al-Sadat in the reviewing stand incident, it came to light that there was a Swiss Bank account in his name containing 11 million pounds sterling. At the same time, there was a will by Amba Samuel stating that the funds were church funds and that no one else had a right to them." (p. 347)

The well-known Coptic Egyptian thinker, Dr. Wilyam Sulayman Qiladah, provides a third testimony about the council in his book, "The Egyptian Church Confronts Colonialism and Zionism," published in 1967. It contained the following:

The call of the Council of Churches "is quite explicitly oriented toward urging churches in newly independent countries to become involved in the politics of their countries. To justify this orientation, the council's theologians have developed a theological theory holding that since the state's activity in all its aspects—political, economic, and social—is under God's rule, the churches must express their opinion about this activity. Furthermore, they must have recourse to the expertise of the Western churches, so that the attitude of the church in the newly independent country will agree with that of Christian churches in the (Western) world. Coordination between the council's approach and the Western approach to international politics goes so far that a book issued by the council contains a social religious theory espousing the need for peace between the Arabs and Israel." (pp. 61-62)

The Coptic Egyptian critic, Dr. Ghali Shukri, provides another testimony. He mentions that "in December 1961, the third general conference of the World Council of Churches was held in New Delhi, India. It issued a resolution declaring the Jews innocent of the blood of Christ and warning the churches against anti-Jewish teachings. This resolution was an initial means of putting pressure on the Vatican to issue its notorious document absolving the Jews of the blood of Christ." ("The Copts in a Changing Homeland"—Cairo, 1990, p. 66)

This is the World Council of Churches and the framework in which it moves according to the testimony of the witnesses.

Reservations of the Egyptian Church

The second party to our problem, the Egyptian Orthodox Church, has traditionally held a different position. While the Council of Churches moved in the context of a political project, whatever its nature and goals, the Egyptian Church continued to adhere to a purely spiritual mission. Furthermore, its historical identity has remained based on its independence on the spiritual and national level.

The following clarification of this point comes from another essay by eminent Egyptian Coptic intellectuals entitled, "The World Council of Churches on the Basis of Its Resolutions":

"It is self-evident in Christianity that Our Lord Jesus Christ, to whom be glory, did not come into this world to found a temporal earthly kingdom ruled by himself and by his Church or its leaders in succession to him. The Gospel makes this eminently clear." The writers quote many texts to support this view, especially Christ's words, "My kingdom is not of this world." (p. 5)

The essay, "The Council on the Basis of Its History" clarifies the position in more detail: "The Orthodox Church disavows this biased thrusting of religion into temporal affairs and sees it as a falsification and distortion of Christianity. It would lead to Christianity's becoming a prey to attempts by reactionaries to exploit religion against its nature to hamper progress. The Coptic Orthodox Church is spiritual. It sees itself primarily as a group of worshipers of God. The Orthodox Church therefore deliberately leaves details of political and economic life to those qualified to deal with them. The usurpation of what is Caesar's in order to ascribe it falsely and deceptively to God is an action that our church can only view as apostasy." (p. 37)

"In facing movements for rapprochement between Christian churches and sects, the Coptic Church believes that the basis for action in this area is a return to the orthodox apostolic faith. The only factor that can bring the churches closer to each other is unity of faith. Any work done outside this area should not be described as Christian or ecclesiastical. It is a purely opportunistic rapprochement, outside the church's special jurisdiction, and going beyond its resources." (p. 37)

The current patriarch, Amba Shenuda, published an article in 1951, when he was bishop for education, under the title, "Our View on Church Union" (MADARIS AL-AHAD, April). He expressed the following view: "We do not believe in the existence of many churches. We believe in one Church, the community of the faithful who believe with orthodox faith. Those who depart from its faith are excluded. This is what the early Church used to do. It expelled from its membership every innovator who persisted in his innovation and forbade contact or prayer with such heretics."

Amba Shenuda added: "A representative of the correct-thinking church of St. Mark (the Orthodox Church) should never participate in a religious gathering under the leadership of someone who has departed from the true faith."

Amba Shenuda held that the social, economic, and political activities carried on by churches with funding from the World Council could not be described as Christian church work. Although such cooperation takes place between churches, the organization that embraces them is "like any international body in which a number of nationalities, religions, and ideologies cooperate to solve an economic, health, or social problem." It is an error to limit oneself to attributing such activity to Christianity or the churches.

These texts clearly indicate two things: first, that the Egyptian Church is cautious regarding the doctrinal position of other churches and accuses their followers of schism and heresy; and second, that it opposes going beyond spiritual activities to political and practical issues. While the first of these two positions is a matter of consensus among leading figures of the Egyptian Church, the second is espoused by a current within the church that has expressed its position in the publications that we have just indicated.

Is It a New Shift?

What has changed in the position of the Egyptian Church for it to become more broadly involved in the activities of the World Council of Churches and propel the patriarch of the Egypt's Copts into the president's chair?

We think the most important change is the third term in the equation: Amba Shenuda himself, who assumed his office in 1971.

We find much illuminating information about Amba Shenuda's role in leading the Egyptian Church in two books published by an Egyptian Protestant scholar: "Political Christianity in Egypt," and "Religious Protest in Egypt."

In the latter book, the author, Dr. Rafiq Habib, reports that "the Christian political revival can be dated from the accession of Pope Shenuda III to the see of St. Mark." (p. 16)

In "Political Christianity," the author explains how ecclesiastical discourse developed in Egypt until it reached the stage of "the discourse of political opposition." This was embodied in what Amba Shenuda called "negative violence"—this was the expression the patriarch used in his encyclical "Spiritual Wars"!

Under the leadership of Amba Shenuda, the church moved toward carrying on a political role. It was a role that coincided in time with the emergence of the Islamic tide as a phenomenon in Egypt. It even appears as if the appearance of Amba Shenuda and the development he caused in the mission of the church expressed a response to the historical period through which the country was passing.

But there is another striking coincidence—namely, that the Egyptian Church was at odds with the World Council of Churches during the sixties—a period of "national liberation" in the region. Amba Kyrillos, the present patriarch's predecessor, opposed participation by the Egyptian Church in an active role in the church union, despite Egypt's being represented in it.

The first signs of reconciliation and rapprochement with the World Council of Churches appeared in the wake of Egypt's "open door" years in the seventies, when Western influence grew in the region. This warm relationship was crowned with the election of Amba Shenuda as one of the council's seven presidents who represent the various churches of the world.

Professor Haykal says in his book that the Egyptian Church's foreign contacts "have given it new possibilities for influence that had not existed previously." (p. 355)

Is it an influence that is called upon to oppose the government?

Is it a weight that is called upon to oppose the Islamic tide?

What might be the future consequences of either of these possibilities?

No less importantly, the European and American Protestant churches that have dominated the council since its inception are, as everyone knows, penetrated by Zionism. Their reliance on the Old Testament as a religious text has dangerous consequences from the Arab point of view.

Could this be one step toward drawing the Egyptian Church into that arena?

The council's relation to the CIA, which Professor Haykal has pointed out, has been repeatedly noted in many sources. Its role in supporting the rebellion in the southern Sudan until the present is often mentioned in this context.

The Egyptian patriarch is an esteemed and respected figure. Doubtlessly, he is above suspicion. However, the

circumstantial evidence we have cited is hard to ignore at the present moment. It all deserves profound review and reflection.

ISRAEL

IAI Joint Venture Activity Described

91AE0396A Tel Aviv MA'ARIV in Hebrew (Business Supplement) 30 Apr 91 pp 8-9

[Article by Dan Arkin: "A Billion Dollars!"]

[Text] Not everybody knows about Israel Aircraft Industries' "Clients' House," an unusually fancy structure located in a corner somewhat off to the side of the installations in Lod. It has rooms and small rooms, conference rooms and meeting halls—everything necessary in order to host Israel Aircraft Industries' guests, the clients. Clients and potential clients.

No, Israel Aircraft Industries (IAI) is not saving its clients [the cost of] the hotel. These are guests and clients who prefer not to be seen in hotels. They prefer the absolute anonymity of the "Clients' House," where they will conduct the negotiations without language, color, hair, and the slant of the eyes or any other detail being identified.

And now, the surprise—it is said at IAI that the sounds of new languages have recently been heard at the "Clients' House," with shades of Eastern Europe. It is also said at IAI that these sounds will be heard there more loudly in the future. IAI is also storming Eastern Europe.

A story within a story, from David On, deputy director general in charge of marketing at IAI. The story is that within a short period of time IAI will establish two of its own maintenance centers for passenger planes in Europe. They will engage in aircraft maintenance and modification of planes—a known field of expertise of the Bedek Aircraft Division of IAI. In recent years, great experience and prestige have been acquired there in modifying passenger planes into cargo planes. Just in recent months, for example, planes belonging to Lufthansa, Tower Air, and South African Airlines could be seen in the division's giant hanger. These companies sent their jumbo aircraft for this big operation at IAI—the change from passengers to cargo, an operation that takes several months and costs a good several million dollars.

The idea is one of joint ventures—involving local companies, plants, and personnel in work in Europe. Securing work for them, and tying them to counter obligations. In this respect, they speak at IAI of two maintenance centers to be established abroad—one of them in Eastern Europe.

At IAI they provide the update that the country in which the maintenance center will be established has not yet been chosen. They say that the management has its eye on a few countries in the east that have experience and a

reputation in the aviation field. Romania, for example, or Czechoslovakia and Poland. David On: "These are countries that have been manufacturing planes for many years. They have expertise and cheap labor."

And this is merely the small dream of the IAI. A small dream that will perhaps lead to a bigger one. Maintenance centers in Europe that will open the door for a project of a totally different dimension. The marketing people at IAI speak of incorporation into the commuter project—the development and manufacture of a small passenger plane, 40 to 70 seats, for short and medium distances. The plane apparently will be excellent business after the unification of Europe in 1992.

The marketing people at IAI say that in Europe there is a club of big countries with large aircraft industries—Germany, France, and Italy. They, too, will want to lay their hands on this market. Yet, there is no reason that a club of mid-sized countries cannot be established, a club of countries with industries like Israel's and those of countries in eastern and western Europe. A club that will specialize in these small planes: "There are aerospace industries in countries like Greece and Turkey and Spain, Holland and Belgium and others," they say at IAI.

Business partnership in projects—this is the magic word in today's aerospace business. Joint teams, joint companies. By the way, IAI already has such joint companies in Miami and Belgium.

Indeed, it involves no small measure of ambition to try to compete with France, Germany, and Italy, even when speaking of a relatively small plane. To the credit of such ambition it may be said that it is supported by numbers—in 1990 the IAI presented a record export of 1.099 billion dollars. They feel in this regard as if they had graduated a class. As David On says: "A company exporting over a billion dollars annually is not the same company that exported less than a billion".

Out of what can be published about the IAI's important export deals, this involves several different fields—the modification of passenger planes, mainly jumbos, and large maintenance packages, the climax of which was a deal to care for 10 planes belonging to the Electra Company. One hundred million dollars. A deal for the modification of combat planes (those not in the service of the Israeli Air Force) was also published, such as the F-5, the Phantom (F-4), and the Kfir. For example, a deal for the improvement of Kfir planes that Israel sold in the past to Colombia was published. A deal to supply Boeing 707 refueling planes to the Australian Air Force was also published.

How is export of over a billion dollars annually done? A reminder—no other Israeli company has yet to make this jump to the high class. It appears that the cancellation of the Lavi project was the decisive reference point in this development.

Since the cancellation of the project, a deep analysis of market structure was conducted at IAI. The principle:

decentralization. Marketing is no longer concentrated under a headquarters, and each plant director has become responsible not only for "manufacturing pieces" but for their sale and marketing, as well.

The policy dictated to the company's marketing and sales people (170 agents throughout the world, 19 offices) is always to be everywhere. A theoretical (?) example—when the defense minister of Papua New Guinea decides to buy a plane, the IAI representative must be there already, know which plane the minister wants to purchase, and quickly offer him IAI's proposal.

IAI's magic word - customer service. At IAI in Lod there is a telephone system that answers any question 24 hours a day. Clients and equipment operators call at all hours, leaving technical questions and operational, usage, and maintenance problems. They will receive an answer the next day.

A person is appointed to be in charge of each contract. His job is to accompany its execution. Here is the number - 590 contracts were signed at IAI this year. On the average, two contracts per day. From a small renovation amounting to 10,000 dollars to large weapons systems worth tens of millions of dollars. And each contract has a person in charge of it.

There is also a very senior employee at IAI whose entire job on this earth is to make the rounds of the buyers abroad and to listen to their problems, [note] the degree of their satisfaction, and to solve problems. This person is strictly forbidden to make sales deals, and may check only one thing—if the customer is happy.

IAI assesses that the Gulf war granted the Israeli enterprise a new lift, although Israel did not participate in the war. It was proven that the directions chosen by IAI prior to the war were correct. The fact is that the small pilotless aircraft and the pilotless aircraft, the sophisticated and precise weapons launched from afar, the electronic warfare systems and various types of missiles were the heroes of the war. The priorities determined by IAI since the government of Israel buried the Lavi were proven, therefore, to be correct. "There still are not orders due to the war", admits David On, "but we are convinced that we will see an expanding circle of clients from this. Already there are dormant clients who have awoken. The war granted legitimacy to the systems that we have developed. It also proved that while it was correct to storm the civilian market, the defense-military market has not lost its force. There are enough regions and countries in the world that are exposed to threats, and we have proposals how to deal with them".

This also determined the form that IAI chose for its display at the air salon to take place in June in Le Bourget near Paris. The salon will be influenced this year by the Gulf war. IAI's famous round, blue pavilion will undergo a change this year - less hardware (tools and systems) and more image.

The image is supposed to transmit to visitors to the pavilion several messages from IAI - that the military field has not been eliminated, that IAI forecasted several years ago what would happen in the battlefield in the Gulf and developed groups of products such as the Arrow missile and the space objects Ofek and Amos. A model of a Boeing 747 undergoing modification will stand there, as well as the Astra passenger plane. A matter of tradition.

The work program for 1991 is based upon sales of 1.6 billion dollars, out of which 1.3 billion is export and the remainder is for the local market. Relative to 1990, this will be a truly handsome increase, almost 15

. In 1990, sales amounted to 1.418 billion dollars. By the way, that was an increase of 10

relative to 1989. And more statistics - in 1990, the company's net profit was 12.9 million dollars. In 1989 - 11.8 million dollars.

The IAI management claims that in 1990 the profit could have been much greater, except for the dollar structure of the company's business. The shekel components of the company's expenses (mainly wages) climbed much more rapidly than the changes in the dollar, which devaluated the profitability.

Another interesting and informative detail - sales per employee at IAI reached 100,000 dollars last year, compared with 50,000 dollars only three years ago...

David On's big dream is to double exports within five years, to reach the "next class" of export amounting to two billion dollars. Important details in this regard - IAI currently has orders worth three billion dollars. And that is not all - IAI is participating in a tender for the supply of mid-range small pilotless aircraft systems to the U.S. army. It is competing in this tender against Macdonall Douglas. The company that wins will receive a supply contract for several years worth half a billion dollars.

Journalist on Life in Settlement

91AE0408E Tel Aviv DAVAR in Hebrew 26 Apr 91 p 17

[Commentary by Avraham Burg on the nonobservance by some residents of Emanuel of the national custom of standing in silence when a siren is sounded on Remembrance Day for Fallen Soldiers]

[Text] Since Remembrance Day until yesterday, terrible anger, greater than any felt in Israel, pervaded me—anger at the people of Emanuel, who desecrated our dead on Remembrance Day for the Fallen Soldiers of Israel's battles. I did not see the original report on television because it was broadcast on the Sabbath. However, I heard its thunderous echoes as soon as the Sabbath was over. I did not have enough words of censure for whom I obviously have pent up anger every day of the year.

Words such as shirkers and exploiters seem too soft to really denounce their haughtiness, insensitivity, and cheapening.

Why this great anger? This special week between Holocaust Day and Remembrance Day is, for me, and for many others, equal to the ten days between the [Jewish] New Year and the Day of Atonement. They constitute ten days of a Zionist moral stocktaking. In some years, the sorrow of Remembrance Day exceeds the fear of the Day of Atonement, because, on the Day of Atonement, one engages in a moral stocktaking and continues living, but on Remembrance Day one engages in a Zionist moral stocktaking, crying endlessly for Yuri and 'Amir, for Yosi and Me'ir, who no longer live, and who took to their graves their lives and the innocence of our childhood.

On DAVAR's initiative, I visited Emanuel on Wednesday, to return to their realm, to elicit remarks from those whose long strides and dull ears did not hear the sound of the siren. I came charged with anger, prepared to dispute and argue—let justice be done, though the heavens fall. However, when I left Emanuel, understanding had replaced my anger—not agreement, not pardon, just understanding.

This understanding is that we are talking about another planet, the Haredi planet. I am no stranger to their world, a world of Torah and settlement. Nonetheless, the ghetto within a ghetto within a ghetto of Emanuel is fascinating and exceptional—a Haredi minority within a minority of settlers within a sea of Arabs. I restrained all of my anger to enter into the Haredi mind, without preconceived notions or prejudice.

Emanuel is an unusual species. It is a city of Haredi settlers. It seems to be taken from a Mel Brook's film. In the heart of Samaria, among the hills covered with ancient olive trees, terraces hundreds of years old, Arabs plowing with mules, donkeys, and spiked plows—in this setting, Israeli bulldozers lopped off the top of a hill and turned it into a city. Not a few scandals accompanied Emanuel's establishment. Financial problems gave it a bad reputation and Jewish legal positions questioned whether a presence in the heart of Samaria constituted a dangerous, excessive provocation of the gentiles. Today, Emanuel is an existing settlement fact. It is not large, nor has it grown. Nonetheless, 60 percent of its founders still live there, and they do not intend to leave. In Emanuel, there is no quality-of-life aesthetic, as is there is in other settlements "five minutes from Bney Braq." Emanuel has many more plants than all of the flower pots of Bney Braq, Me'a She'arim, and Netivot put together. However, it does not have cared-for streets, impressive villas, next year's car models, or expensive stores. On the contrary, everything is modest, introverted, and somewhat neglected, as if intentionally. Not all of the sukkahs [booths erected for the Feast of Tabernacles] on the balconies have been disassembled, thistles poke out of flower beds, and the stores hide their merchandise behind dusty facades.

It is difficult not to be impressed with the abundance of educational and religious institutions—14 synagogues, religious schools, yeshivas, religious studies colleges, kindergartens, and day care centers. Emanuel is very much out of the way. The daily storms are far away and have almost no effect on the place. One does not see here the would be macho settlers, who adorn themselves with the new Israeli lulav [a palm branch, one of the four species of plants used on the Feast of Tabernacles], i.e., the status symbol of Gush Emunim, which is a weapon on every shoulder or an impressive pistol in the settler's belt. At 1100, five men and three women with wet towels folded under their arms passed me on their way from the mikva [ritual bath] to their daily work.

I did not announce my arrival. I came seeking human contact in the grocery store, the bank, and in the council. They also seek human contact, and conversations start up quickly. It emerges that 70 percent of the men of the place, according to Tziyon, were in the Army.

Do not be deceived by the Haredi appearance. They have among them combatants. They even take pride here in repentant [Jews who become observant by choice as opposed to being raised in an observant environment] pilots. (Does not one always brag about pilots who have repented?).

The attitude [behind the behavior of some in Emanuel who did not stand in silence when the siren was sounded on Remembrance Day], it emerges, is not intended to "anger" or spite, but is a fundamental, especially profound position. Moshe Me'ir, a bypasser in the street, fled from crowded conditions of the large city to exist in the isolation and detachment of the districts of the Bible. The custom of the gentiles is not their custom [hence, some did not stand in silence when the siren sounded]. They have trouble with modernity in a place where street advertising is in Rashi script [which is used in religious commentaries], the bulletin boards bear small announcements regarding special drops for impotency and the enrichment of mother's milk, photo albums contain pictures of rabbis, and bonfires for Lag Ba'omer [a religious festival] are already set up in the streets.

What have they to do with the world outside their bubble? Without making generalizations, and without prejudice to exceptions, I have no doubt that many of the people of Emanuel stood silently when the siren sounded. However, the reporter's eye locked on those desecrating the siren. Others who did not stand in silence sanctified the day through praying, and reciting memorial prayers, psalms, and Kaddish for the memory of the martyrs. The yeshiva head, a Lithuanian and a scholar, confidently assures me that, here in Emanuel, anyone who died as a Jew for the sake of Jews automatically obtains the status of sanctification and purity, to shine like the splendor of the firmament.

Sanctification is not a game in Emanuel. They sanctify the memory of the dead, as did all our forefathers, in prayer, a chapter of Mishna, and in reciting the prayer

for the dead. In the days of our forefathers, there were no sirens; our rabbis' students will not stand. That is final. Those who truly hate the state, such as Natorei Karta [an extremist Haredi sect that opposes Zionism], are not found here, the flag of Israel is displayed over the council building, and soldiers of the IDF [Israel Defense Forces] come and go through the gates of the settlement.

And you, the pluralist, remain stuck with the unanswerable question: Is there only one suitable way to be at one with the dead of Israel's battles?

Ya'aqov Moshe engages in local dialectics, asking: "Did the photographer and the reporter photograph during the siren? While standing? Are they permitted and others prohibited?" Another difficult question was asked: "Why was the entire film not shown? Why did the film not show persons, so nearby, who honored the memory of the fallen by standing in silence?"

Ultimately, the feeling is that the great cry that went up in our world did not really penetrate the covering that encapsulates Emanuel. Radio is not heard here, the main press is the Haredi press, which obviously makes a careful selection to protect as much as possible the pure souls of the righteous and faithful of Israel. HADASHOT, YEDI'OT, MA'ARIV, and DAVAR are forbidden and not to be seen, because reading them would constitute neglect of the study of the Torah and a real transgression against the values of the weekly Torah portion, "You shall not go up and down as a talebearer among your people [Lev. 19, 16]."

Here, more than any other place, you feel that the residents believe that if they only close their eyes, they will immediately disappear from sight, never to be seen again. They live in the public view from the start. Some attack them because they are Haredim and because of all of the stereotypes surrounding the concept of Haredism in Israel, and others seek them because they are settlers.

The leaders of the settlement know that this is another scandal that will pass quickly, to be replaced by a new disturbance tomorrow. Not one word of apology was mentioned in the remarks of all of these people, including leaders, ordinary people, merchants, and scholars. They are at one with their way, the way of nirvana vouchsafed to upright believers, who view the world through rose tinted glasses.

In Emanuel, there are 70 families of knitted yarmulkes [a reference to a religious-cultural distinction between wearers of knitted skullcaps, perceived as more modern and nationalistic, and wearers of other head coverings, perceived as more Haredi], seven times the number of righteous persons needed by Abraham our father to save the cities of the sinners, Sodom and Gomorrah. These, together with the other Army veterans in Emanuel, attempt to speak in defense of this strange city, unique in our landscape, a landscape that finds it difficult to get along with the exceptional, the different, and the unusual. I left Emanuel to return to the sophisticated, cynical, quotidian world of Arabs detained at roadblocks, settlers perpetuating the

occupation, yarmulke against yarmulke. And, again, from a distance, the city returned to its natural dimensions, without the enticing pastoralism, without the moment of naivete of one who penetrates behind the curtain, to the detached world of the thickly-bearded settlers. The anger was no longer the same anger, because they are they and we are we, and the Zionist border between passes us, and that is what there is.

JORDAN

Decreased Government Employment Recommended for Economy

91AE0414A Amman JORDAN TIMES in English
24 Apr 91 p 7

[Article by Samir Shafiq]

[Text] Amman—Unemployment is an entrenched problem in the structure of the Jordanian society and the tragedy is that in order to really solve the crisis, Jordanians must suffer from higher unemployment, Dr Jawad Anani told a forum of bankers, government officials and intellectuals on Sunday evening.

Speaking at the Association of Banks in Jordan, Dr Anani said Jordan was currently faced with the dilemma of how to utilise best the available and limited resources of the Kingdom.

He mentioned various economic hindrances, but highlighted as most important the crippled labour market, mainly because of the extremely high government employment which, he noted, directly or indirectly hires about 55 percent of the country's total labour force.

"Can the government bear this burden?" Dr Anani asked foreseeing a diminished private sector management role in the economy in the future if the answer was positive.

He further wondered how the government could keep on paying the huge salaries and still continue to improve the social and economic welfare of the citizens when the middle class, who comprises mostly government employees, was gradually decreasing in size under the pressures of unemployment and inflation.

"Can't the private sector adopt a role where it can reap the fruits of its own free decisions in exchange for new economic policies in Jordan?" Dr Anani asked again.

The former minister of labour and of industry and trade said the Kingdom must revolutionise its economic philosophy because Jordan needed to create about 36,000 job opportunities this year and about 50,000 every year thereafter, taking into consideration the rapid increase in population, which will raise to over five million by the year 2000.

Dr Anani calculated the need of about 1 million JD[dinars] in investments a year to achieve a balance between the increase in labour force and the required capital formation.

Calling for a reevaluation of many institutions which have excess staff, Dr Anani gave a pertinent example of a ministry he headed years ago. "The Ministry of Industry and Trade employs 380 people," he said "when it can function with only 45 and give them half the salary of the 380."

Citing the phosphate company as another example of overstaffing, Dr Anani questioned the willingness to correct Jordan's economic course and the ability to create true job opportunities. But then, he asked, who can take the "political decision" in this regard.

He mentioned that by transferring the employment burden from the public sector to the private sector the country would greatly depend on productivity. As such, there would be higher requirements for labour productivity and needs to create the environment to achieve that purpose and justify wages in return.

Dr Anani referred to the economic adjustment programme and noted that the end result of currency management float, balance of payments strength, reduction in financial aid and improvement of government budget could be summarised in employment selection where nobody would get a job unless needed and where the pay corresponded to the productivity.

This process would entail a higher jobless rate, he pointed out.

This unusual frankness took even a sharper turn when the lecturer said: "It is high time to say that the values we've set up for ourselves during the oil boom years have ended. The years of cheap money have ended."

Economically speaking, Dr Anani used the World Bank term "Dutch disease syndrome" and said that this disease, whereby people rely on a specific sector for money or rely on the local market instead of tradable commodities for exports to earn money, has ended too.

The lecturer said that the oil boom years created deficiencies in the financial sector and in the private sector at least to a level equal to that in the public sector, but, he noted, at that time governments were able to cover their own failures and the failures of the private sector as well.

The boom years have yielded unqualification at all levels and on top of that an overemployment through the importation of unskilled labourers while exporting at the same time qualified manpower, the former minister pointed out adding that "we were creating job opportunities abroad in every items we were importing then."

Dr Anani stressed the need to "revolutionise" the economic thinking in Jordan because Jordanians cannot maintain the "money illusion" image.

He said there was no way to escape the modern theory of "competitive edge" of a country to be a part of the international economy and not only on the regional level.

He defended his argument by saying that recent developments have further distanced Arab economic relations and notably Jordan which had no choice but to adjust to developments.

Dr Anani went a step ahead to affirm that Jordan's being accepted by Arab countries would be more welcomed through international markets than by approaching the same Arab countries directly.

He dismissed that the Gulf crisis had a negative effect on the labour market in Jordan, but quite on the contrary, he saw a positive impact, especially if Iraq were permitted to export again and the political status remained unchanged.

"Jordanians should face realities unemotionally and should realise that the Kingdom possesses unutilised human qualifications that only need a new economic environment where new job areas can be created," Dr Anani concluded.

MOROCCO

Commentator Predicts Opposition Party Splits

91AA0372A London AL-SHARQ AL-AWSAT in Arabic
28 Apr 91 p 14

[Article by Talhat Jibril: "Moroccan People Watching, State Determined to Broaden Democracy's Horizon. Storms of Disagreement Disturb Opposition Climate, Majority Party Prepares for Upcoming Elections"]

[Text] Talhat Jibril reports from Rabat on the disagreements blowing over relations among Moroccan opposition parties. He said that these disagreements will leave their imprint on the outcome of the election campaign that has already started even though elections are still several months away.

Some time ago a prominent Moroccan official told me that the Moroccan monarch, King Hasan II, not the opposition parties, introduced the motion to amend the constitution.

At first glance, this seems to be a pro forma explanation, but this is not so.

In May of last year, and after introducing their motion of no-confidence, Moroccan opposition parties decided to enter the first real confrontation with the government of Dr. 'Izz-al-Din al-'Iraqi. Though the total number of deputies from these parties was not enough to bring down the government, they wanted to put government policy on trial by introducing this motion.

At that time, the Moroccan monarch commented on this matter, saying: "I find it strange that the opposition was

late in introducing the motion of no-confidence," pointing out that the opposition can introduce such a motion every day if it so wishes.

The motion of no-confidence and the fiery debates and confrontation in parliament between the government and the opposition set in motion the crystallization of a new opposition front that includes four parties, which are: the Independence Party, the Socialist Union of Popular Forces, the Progress and Socialist Party, and the Popular Democratic Labor Organization. These parties set out to coordinate their positions inside and outside parliament.

At that time, right after the introduction of the no-confidence motion to wit, the Moroccan monarch met with opposition party leaders to inform them of his intention to amend the constitution with a view to making it possible to widen the democratic margin. It was rumored that among the motions that were debated was one that called for broader powers for the legislative establishment, but the opposition leaked news to the effect that it was the one that introduced the motion to amend the constitution, something a prominent official denied.

Following the introduction of the no-confidence motion, coordination among the opposition parties was maintained and, indeed, went as far as organizing a general strike whose repercussions led to bloody events in Fes. Observers saw in this coordination an indicator of what the map of alliances and the course of the election campaign would be during the upcoming elections: traditional opposition parties in a confrontation with newly-formed parties that the opposition constantly accuses of receiving official support.

The Gulf crisis caused a new situation to take shape. The Progress and Socialism Party adopted a position contrary to the rest of the opposition parties, for it announced candidly and right at the outset its condemnation of the invasion of Kuwait. Its communiques remained consistent with this position, with some changes, until the war ended.

After the war, other parties began criticizing the Progress and Socialism Party, accusing it of receiving a printing press as a gift from America in appreciation for its position on the Gulf crisis, especially since the editor-in-chief of the party's newspaper, AL-BAYAN, was chosen to take part in an interview four Arab-language newspapers (including this one) had with the American president, George Bush!

The Progress and Socialism Party responded vehemently to such accusations, describing them as "fabrications and gratuitous slander."

Party Secretary 'Ali Ya'tah, in an article published in AL-BAYAN newspaper, his party's organ, explained the reasons for the disagreements with the other opposition parties, saying: "During the Gulf crisis, our party adopted an extremely clear and responsible position. It

strongly condemned the Iraqi occupation of Kuwait, and affirmed that this occupation lacked any kind of positive element and was fraught with all sorts of catastrophic consequences for Iraq and the Arab world. It did this while others were supporting Saddam Husayn unreservedly, deeming as a traitor to the Arab cause anyone who opposed this opinion. History has handed down its decisive judgment here, so there is no need to persist in the argument."

Disagreements between the Progress and Socialism Party and the remaining opposition parties shifted from the realm of whispers to verbal abuse in the press and, indeed, during some oratorical meetings organized by these parties.

Whereas this is the way things are between the Progress and Socialism Party and the other three parties, the situation is not very good either between the Independence and the Socialist Union parties, the two major parties within the opposition, the common denominators between them notwithstanding.

The two parties recently submitted a joint request to meet with the Moroccan monarch with a view to discussing the amendment of the constitution. Coordination between the General Federation of Labor (pro-Independence Party) and the Democratic Confederation of Labor (pro-Socialist Union of Popular Forces Party) is still going on. The two parliamentary blocs are consulting on ways to coordinate their positions in parliament.

The two parties held oratorical meets continually and their positions vis-a-vis most foreign issues are marked with a unified vision. There are differences, however, that are muted and not dealt with publicly.

Differences between the two parties have been vehement and sharp since before the Independence Party switched to the opposition (it participated with eight ministers). When the independents rejoined the ranks of the opposition in 1984, however, the two parties worked out their differences as their deputies sat next to each other under the dome of parliament.

However, as the date of the legislative elections draws near, differences that have been hushed up so far are expected to surface, for each party will seek to bolster its presence in parliament.

In this connection, it is noteworthy that the two parties' leaderships tried to coordinate among themselves, when the democratic soap opera got underway in 1977, by backing common candidates in some electoral districts, or at least by not allowing their leaders to run in the same district. But when the elections got under way, these proposals could not hold up and they remained suspended in air.

The central committee of the Socialist Union Party last week issued a communique that, upon careful examination of some of its clauses, makes it clear that the

continued existence of a unified opposition front is not an easy matter. The communique said: "If experience shows that the most active and effective way to broach issues and enhance their impact is through unionist action that brings together all democratic parties, we ought to strengthen this instrument on all fronts and develop our perceptions of what terms and limitations ought to be employed in relying on it. This calls for the preservation of our party's special quality in its platforms and modus operandi."

Months, maybe more than a year, separate us from the municipal and legislative election date in Morocco, but the precursors of the elections' campaign have begun to surface already, not between the opposition parties and the majority, as expected, but rather within the ranks of the opposition itself.

Thus, the storms have begun to blow over the opposition's area, in which it was believed the skies would be clear.

Youth Give Views on Government's Employment Measures

91AA0390A Casablanca AL-ITTIHAD AL-ISHTIRAKI in Arabic 20 Apr 91 p 4

[Article by Nur-al-Din Miftah: "Youth's View of Employment Campaign and Council for the Future"]

[Excerpts] [passage omitted] Hasan Hirmas is a youth from Taroudant. After obtaining his baccalaureate, he left his quiet southern city for the administrative capital to continue his studies at the Higher Institute for Journalism. [passage omitted]

[Hirmas] "When the National Council for Youth and the Future was founded, my cloudy vision of how things would be in the future gradually began to clarify. The event of its founding was really a dividing line between days of depressed brooding on how things had turned out and the coming of days of aspiration and hope and of overcoming what it became possible to consider a passing circumstance." [passage omitted]

"Another reason for my optimism was that the council made a methodical census of unemployed youth. Countries today do not reach a high level only by possessing technology, but by knowing and subjugating reality through condensing its facts and expressing them in the shorthand of definite numbers and exact percentages. These form the foundation upon which the challenge can take place; which, in our case, is to employ tens of thousands of diploma-holding youths whom poorly planned educational policies have cast into the ocean of unemployment, where they wrestle with the demon of unemployment and face a bleak horizon.

"The council's efforts continued unabated until the results were made public. The figures demonstrated the frightfulness of the crisis and the size of the challenge awaiting the council. The figures revealed the effects of

the unsound or tortuous course followed by a number of ministries (Employment, Education, and Planning) that could be considered responsible for how matters had turned out. Let the National Council for Youth and the Future be a model for those who bear extraordinary portfolios." [passage omitted]

[H. A.] "In my opinion, the National Council for Youth and the Future is an agency that was established to plant one more delusion in addition to those the government has planted or is trying to plant in people's minds. This may not prevent this agency from performing some, if not all, of the functions entrusted to it. It will take more than one agency to employ degree-holding young people. It will also require a review of the economic approach, which was the main reason that generated the unemployed."

H. A. also had an opinion about the media campaign that has accompanied the youth employment operation: "It seems that the youth employment operation has been given more than its real magnitude at the media level. It even seems as if work were a kind of gift, and not one of the rights guaranteed by the country's constitution. Furthermore, those affected are suffering from a coverup. With the exception of what the Second Channel has presented in the program 'Man of the Hour,' we have not seen in the official information media any initiatives that really clarify the course of events and record its history and its exact figures." [passage omitted]

"Everyone knows that there are 50,000 unemployed holders of the college diplomas, not 21,000, as the Interior Ministry thinks there are. What gives me misgivings is my suspicion that I am one of the 29,000 whom the Interior Ministry overlooked." [passage omitted]

"I think that at a time when the government is mortgaged to the IMF and when citizens' lives are at its mercy, the only sector that has held out is the Interior Ministry. It is being granted a respectable budget—we do not begrudge it that. Here we find a reason for this hurry to announce appointments within that ministry."

B. A. is a youth with a general studies university degree. In reply to my question, he told me that he had refused to register himself in the census, thereby refusing to become part of this new serial. When I asked him why, he said:

"I did not make an effort to register my name in the general census of degree holders, because I was convinced that I might be subjected to pressures regarding my choice of an appropriate job. Another basic thing is that I have a prior conviction that serious work is evident from the very first, not after movement by the man on the street or the violent wave of protest that has passed over people's feelings due to the favoritism that gives some people job opportunities rather than others." [passage omitted]

"Every citizen must be cautious about the media campaign accompanying this move. It might cause the passage of many resolutions that outwardly serve the operation, but which conceal unpleasant surprises underneath. For example, there is the question of canonizing university matriculation and graduation exams and giving a false impression that a degree is the one and only guarantee for finding respectable work."

Khalid is a youth who received the baccalaureate in 1983. When circumstances made it impossible for him to continue his university education, he made an exhausting, years-long search for work, but found none. When the council appeared, his feelings were as follows:

"I wouldn't be lying to you if I said that I was optimistic when I heard about the council's establishment, regardless of the circumstances that led to its establishment and that make us question its credibility because of the speed with which it was created."

Young Khalid made a number of observations to further explain his position:

"How can such a huge project be born overnight? It is really a huge project that will try to employ 100,000 unemployed. This is no small task. It is a matter that demands studies and plans lasting years—this in developed countries that have a strong economy and large budgets to fund such programs. How then in a backward country? True, the general secretariat of the council is headed by a man whose ability and expertise we all know, Mr. al-Habib al-Maliki; but concern is not enough.

"Something else—I think it is the important thing: Even if we assume that the council can really employ this large number of unemployed, can it give any guarantees for the future? I mean the official appointment and social guarantees that the labor law specifies."

Another youth with the baccalaureate began his testimony with a profound question:

"For me, this council is merely a question mark. It in turn needs a council to tend it. After all, someone who lacks something cannot give it! The council needs an executive force. This force is absent because the apparatus entrusted with execution lacks credibility."

This youth, who has suffered unemployment for more than five years, added: "Unemployment exists. The reason for its existence is a government unable to steer public affairs. So we expect no solution from the government's council or the council's government. Unemployment is kinder to us than empty promises. The government should have asked itself: Why has unemployment become a fearsome beast? I frankly believe that the government cannot even formulate the question. It is responsible for the unemployment of graduates and nongraduates. What troubles me are the signs displayed here and there. I believe that the personalities who have agreed to sell their faces will belong only to sheep who

are government proteges. The government bets on them whenever it wants to promote some delusion.

"The real solution to the crisis is a radical review of everything—a change of mentalities and choices. It all depends on fate's proving that we are wrong and that the council's government and the government's council are serious this time."

Shafiq is an unemployed holder of a college diploma. His testimony brought more questions than answers:

"After the delay and procrastination in scheduling the beginning of the employment operation, our doubt about the honesty of the employment move multiplied—if it actually takes place at all. The scheduled date to begin employing these young people has been postponed three times—15 March, 15 April—and now we find ourselves waiting for 15 May as the deadline for submitting applications for appointments to pass the competition to enter the educational groups. Who knows? Perhaps it will be prolonged a third time, a fourth time, and even more for some hidden reason, since there is still a competition, results, etc.

"More worrisome than all this, current and past evidence only confirms to us that there are many questions that remain unclear and for which we would like an explanation:

"What guarantees has the government provided that these youths will remain in their jobs and not be affected by the wave of firings that recently hit many institutions?

"How does one explain why some candidates are chosen through immediate hiring, while others are subjected to a system of competitions. Isn't everybody equal?

"It appears that one of the results of the council's first session was the approval of a working plan containing a series of measures to stimulate job-creating investments and strengthen the staffing of free contracts. When will this plan begin to be implemented? Can it be considered a guarantee that these new personnel will remain in their new jobs?

"It came out in the announcement of the local groups that job appointments will be made within either a legal or a contractual framework. This does not bode well for people who make contracts, particularly in the absence of any guarantees to protect them. If these are really provided, what are they?

"When will work begin on preparing the seven central projects related to implementing the provisional program, and then on restructuring the Ministry of Employment so that it is in step with the requirements for incorporating youth into life, if the move to employ the 100,000 young people is going to take until the end of next year? We ask the council about money for new classes of graduates in its projected plans. Or rather, what money will there be for the second installment of the 100,000, if we grant that the first installment will actually be employed before 1992 arrives?

"How will the local groups be able to absorb so many cadres?" [passage omitted]

Survey Shows College Graduate Demographics

91AA0391A Casablanca AL-ITTIHAD AL-ISHTIRAKI in Arabic 20 Apr 91 p 5

[Text] The number of college graduates seeking employment was 100,374 according to a survey that ended on 27 February 1991. Of this number, 61 percent are males, and 58 percent are in the 25-29 age bracket, which includes 57 percent of the males and 60 percent of the females, of whom 86 percent are unmarried, 13 percent are married, and 1 percent are widowed or divorced. Of these graduates, 90 percent live with their families and 62 percent are married to employed individuals.

According to the survey, of these job seekers, 49.6 percent hold bachelors degrees, 20.8 percent hold technical certificates, 21.6 percent hold licentiate's degrees, and 1,234 hold graduate degrees, including medical degrees.

According to documents of the Higher Council for Youth and the Future, 50 percent of the unemployed degree holders belong to limited-income families, whose income is less than 2,000 dirhams. Most of these families are large.

These graduates are distributed according to economic region as follows: 31,948 are in the central region, 25,264 are in the northwest region, 11,046 are in Tansist, 9,177 are in the north-central region, 8,949 are in the south-central region, 7,565 are in the eastern region, and 6,425 are in the southern region.

Sixty-three percent of the holders of licentiate's degrees reside in the central, northern, and western regions, whereas 54 percent of the technicians and holders of bachelor's degree live in the same regions.

Of the employment seekers, 18.3 percent graduated in 1990, 11 to 15 percent graduated during 1986-1989, and the rest graduated before 1986.

Of the bachelor's degree holders, 10.5 percent obtained their degrees during 1989-90, and 71 percent obtained their degrees during the five previous years.

Of the licentiate's degree holders, 61.7 percent obtained their licenses during 1989-90 and 42.5 percent obtained them in or before 1989.

Regarding technicians, 47 percent obtained their diplomas during 1989-90, and more than one half graduated in previous years.

An analysis of the date of submission of employment applications (contained in documents of the Higher Council for Youth and the Future) underscores the emergence of long-term unemployment (more than one year). Thus, 75 percent of youths with degrees have been

seeking employment for more than a year, 55 percent for more than two years, and about 38 percent since three years ago.

Eighty-seven percent of the youths with degrees prefer employment in the public sector, compared to only about 12 percent who chose the private sector.

The Supply of Employment

The survey deals with 6,557 contracts. The industrial sector is in the forefront with 44.3 percent of these contracts. This sector employs 51.5 percent of the employees and implements 44.4 percent of the total volume of activities, supplying 65 percent of the jobs scheduled to be created (according to the same documents) during 1991-1993. The industrial sector is followed by the construction and public works sector, which accounts for 11.9 percent of current jobs and 7.5 percent of the jobs being offered.

The distribution of the job supply according to level of qualification highlights the preponderance of the "professional training" level, which represents 36 percent of the total number, followed by the bachelor's level with 11.3 percent and the "technical cadre," "administrative cadre," and "seasonal [worker]," levels, each of which accounts for about 7 percent.

On the regional level, a preponderance is noted in the central region, which has 328,309 employees, i.e., 51 percent of the total number of current positions. It is followed by the north-central region, which has 126,778 employees (19.7 percent), and the southern region with 63,460 employees (9.9 percent).

Out of a total of 59 provinces and prefectures, eight contribute more than 63 percent of the current positions, each of the eight employs more than 20,000 employees. The prefectures of Ain Sebaa-Hay Mohammadi and Casablanca-Anfa alone account for around a third (36 percent, 4 percent, and 5.6 percent respectively) of all current jobs in these in [the said] eight prefectures and provinces, which employ 346,461 employees.

Seasonal positions, which total 4,732 positions, represent only 6.2 percent of all jobs which the survey projects for the period 1991-1993, which total 75,930.

SAUDI ARABIA

Official Five-Year Economic Projection

91AE0402A Jeddah AL-MADINAH in Arabic 18 Apr 91
p 4

[Article by Ahmad Rashwan: "Industrial Sector Contributes 25 Billion Riyals to GDP. Industrial Sector Annual Growth Rate of 6.5 Percent Targeted by Fifth Development Plan. Petrochemical Exports Exceed 10 Billion Riyals"]

[Text] Industry in the kingdom has endured with tenacity and struggle to reach development and prosperity. By comparing the number of factories today with that before the year 1395 Hijra, or by contemplating the investment so far expended on infrastructure, one is awe-struck with the greatness of this nation and its sincere leaders who diligently maintain equilibrium between advanced civilization and material and urban development on one hand, and economic development and rising standards of living on the other.

The previous four development plans represent actual achievements and are considered unique for [accomplishing so much] in such a short time, for their depth and exhaustiveness, and for their thoroughness, implementation, and moderation in the utilization of natural resources—all within a framework of individual initiative, Islamic values, economic freedom, and an open economic policy.

The state, according to a Ministry of Planning report, began to adopt a scientific course of development in the year 1390 Hijra when it formulated and issued a development plan (1390-1395 Hijra) for the kingdom. Revenues were expended mostly on improving government services and developing infrastructure, especially public utilities. An 11-percent rate of growth and 262 producing facilities were accomplished under that plan.

Infrastructure Development

The second development plan (1395-1400 Hijra) cemented the basic characteristics of Saudi development and contributed to the continued development of infrastructure and investment capital. When the period experienced considerable inflation, market forces were allowed free play by the state in order to restore balance to the national economy. Industry was underscored during that period. The Ministry of Commerce used to have competence for the industrial sector but a separate portfolio for Industry and Electricity was created. Also created were the Industrial Development Fund and the Royal Commission for Jubail and Yanbu'. Thanks to the collaborative efforts of those and other agencies, the number of producing factories during that period was calculated at 975. The rate of growth climbed to 15.4 percent under that plan.

Producing Sector Development

The third development plan (1400-1405 Hijra) moved along three major lines in order to expedite development in the kingdom. It focussed on continued manpower development, on the completion of infrastructure development, and on channeling more state investment into producing sectors. Under that plan, the rates of growth of nonpetroleum sectors began to reflect targeted industrial development priorities, specifically higher rates of growth in the industrial, agricultural, and financial services sectors. That plan realized 554 producing factories and an industrial sector growth rate of 14.1 percent.

Economic Development

The fourth development plan (1405-1410 Hijra) had the following broad objectives:

- Continue to affect genuine change in the country's economic structure by continuing to diversify the productivity base.
- Support rapid private sector development as the main tool for achieving targeted economic diversification.
- Improve the productivity of domestic plants.
- Complete infrastructure projects necessary for long-term industrial development objectives.
- Accelerate manpower development in the kingdom.
- Continue to encourage foreign capital participation and the utilization of modern technology in industrial projects.

Industrial sector targets during that period were an average annual growth rate of 15.5 percent and an increase in industrial sector contribution to GDP to about 25 billion riyals by the year 1410 Hijra. Basic industries are expected to account for 20 percent of such growth.

Steady Growth in Petrochemicals

That plan period, despite certain restraints, saw the completion of most infrastructure projects that were under implementation at its inception. The petrochemicals and producer industries sector achieved a 4.6 percent rate of growth. Industry in general grew by 3.9 percent at 1404/1405 constant prices and accounted for 11.4 percent of nonpetroleum GDP for the year 1409/1410 Hijra at current prices. Under the plan, the producer industries sector grew at the rate of 4.6 percent of GDP and petrochemicals at 55.5 percent. SABIC put seven new petrochemicals facilities on stream and 264 factories for other producer industries were also created. By the end of 1410 Hijra there were more than 2,000 producing factories capitalized at more than 107 billion riyals and employing some 147,000 workers.

The value of kingdom exports of petrochemicals rose from 816 million to more than 10 billion riyals—and of other producer products from 387 million to 3,612 million riyals—in the period from 1404/1407 [as published] to 1408/1409 Hijra. Loans actually extended to private sector investors during the fourth development plan totalled 2,058 million riyals.

Industrial Targets of Fifth Plan

Continuing to bolster the industrial base, the fifth development plan identified the following primary goals for industrial development:

- Maximum industrialization based on locally available materials, especially petroleum and petrochemical products.
- Encourage viable [import-] substitution industries in order to achieve a degree of self-sufficiency.
- Stimulate industries for exports of relative advantage and provide them with incentives to grow.
- Achieve integration and complementarity of operations in industrial and other sectors.
- Raise the productivity of native industrial workers.
- Bolster Gulf industrial relations and develop Gulf joint industrial projects under the Uniform Economic Pact and the uniform industrial strategy of Arab Gulf Cooperation Council (GCC) members.
- Promote industrial relations between the kingdom and Arab and Islamic countries. Foster the kingdom's role in Arab and Islamic joint industrial enterprises.
- Develop industrial relations with foreign countries in order to systematically transfer technology and attract foreign capital

The fifth development plan targets annual rates of growth of 6.5 percent for the industrial sector as a whole, 8 percent for petrochemicals, and 7.5 percent for other producer industries. The plan also allocates 4.5 billion riyals for the Saudi Industrial Development Fund and five billion riyals for the General Investments Fund—a total of 9.5 billion riyals targeted to finance industrial enterprises.

AFGHANISTAN

Pakistan's Multidimensional Afghan Policy Viewed

91AS0919A Kabul THE KABUL TIMES in English
22 Apr 91 p 3

[Article by Omad]

[Text] Reflecting the series of diplomatic efforts by Pakistan for the resolving of the Afghan issue through political means, news and articles have been released by the world mass media. It is said that Nawaz Sharif, the premier of Pakistan, has called on the UN Secretary General to speed up his good offices for the solution of the Afghan question.

Touching on the Afghan issue, Shahryar Khan, the Pakistan foreign secretary has announced that his government would dispatch its diplomatic missions to the USA, the Soviet Union, Iran, Saudi Arabia and the UN headquarters in an attempt to accelerate the process of the political solution of the Afghan issue.

According to high placed international sources, nowadays even the Pakistan army generals and high-ranking officials of ISI [Inter Services Intelligence] are opting for the political solution of the knot. Now this very question arises here that are the Pakistani authorities serious about the solution of the Afghan issue? If we have a glimpse over the Afghan events during the last years, including the Pakistan shameless aggression on Khost, it will be clear that there is no unanimity of view among the government elites over the Afghan issue.

It is astonishing that on the one hand the Pakistan Prime Minister Nawaz Sharif, and high-ranking officials of its foreign ministry are opting for the political solution of the Afghan issue while its army generals and its ISI are ordering assault on Khost province and masterminding attacks on other provinces of the country on the other. If we ponder on the double standard policy of Pakistan towards the Afghan issue, this very fact would be derived that the real power in Pakistan is at the hand of army generals and the ISI of Pakistan. Surprisingly, Nawaz Sharif's government doesn't have free hand at its foreign policy. Some political analysts observe the latest utterances of Nawaz Sharif and its foreign ministry towards the Afghan issue with scepticism and doubt.

There is rumour among the Pakistan government circles that following the Aslam Beg, Hamid Gul would be assigned to this post, the man who was head of ISI of Pakistan during General Ziaulhaq reign. He is said to be the staunch follower of Ziaulhaq's policy towards the Afghan issue.

Candidating Hamid Gul for the post of Chief of Army General, by Nawaz Sharif, reveals his policy towards the Afghan issue.

However, one should wait to see the policy of the Pakistan government towards the settlement of the

Afghan issue through political means and would see its practical steps to this end. The questions yet to be answered in future.

The policy of Pakistan towards the issue reminds us of the common Persian proverb which says: Encouraging the thief to steal and telling the owner of the house to be awake.

Parwan Province Governor Interviewed

91AS0918B Kabul THE KABUL TIMES in English
22 Apr 91 pp 1-2

[Mohammad Tareq Kohistani interview; place and date not given; "NRP [National Reconciliation Policy] Extending in Parwan Province"—first paragraph is THE KABUL TIMES introduction]

[Text] The correspondent of our newspaper has interviewed Lt. Gen. Mohammad Tareq Kohistani, governor of Parwan province, the text of which is presented below:

Q: Please elaborate on the political-military situation in Parwan province and the state of implementation of the national reconciliation policy therein?

A: Our compatriots are informed that following the proclamation of the national reconciliation policy by the RA [Republic of Afghanistan] state, conclusion of the Geneva Agreements and withdrawal of Soviet forces from Afghanistan, the turn of events were further consolidated towards peace and security not only in Parwan but in other provinces of the country as well.

Our war-weary people were opting for peace and considered the national reconciliation policy as a logical alternative for termination of war and the best means to dialogue and negotiated settlement of issues and establishment of national peace in the country. This way, many compatriots have shifted to the state side, the process of which is continuing here and in other parts of the country.

The people were witness to the fact that the RA state has persistently forwarded constructive peace proposals with the aim of ceasing the war and opening way for peaceful political solution of issues. Contrary to the expectation of the people, the war-mongering extremists not only did not respond positively to these proposals, but impudently intensified their subversive activities.

Despite the stubbornness of the extremists, the RA state has continued its peace endeavours with more strength and launched massive diplomatic efforts to gain the support of international community on peaceful negotiation for the settlement of the Afghan issues.

Numerous peace proposals, designs and the persistent contacts of the Afghan leadership inside and outside the country with the representatives of opposition forces

notably in Geneva, have further augmented the credibility and prestige of the RA state amongst the international community.

Flexibility shown by the RA state and its tendencies in favour of peace and paving the ground for formation of a broad-based coalition government and honest implementation of the national reconciliation policy have attracted many people to side with the state in recent years.

Owing to its centrally-located strategic position through which the vital Kabul-Hairatan and Salangs highway passes and as the main economic highway in the country Parwan province has always been in the focus of attention of the RA state and considerable work has been done here during the year 1369 H.S. with direct cooperation of Parwan people.

The national reconciliation policy has found way into the hearts of people and the people are now convinced of the futility of war and many armed commanders and members of opposition groups are now opting for a peaceful life except a limited number of Gulbuddin extremist groups who vainly try to disturb security in the province occasionally. Fortunately, the extremists are always confronted with strong people's resistance preventing them to achieve their shameless aims.

The armed forces stationed in Parwan province including the army, Tsarandoy and the state security and homeland defenders and other militant patriots with allround cooperation of people have defended well their positions and the NR achievements with high combat morale and launched assaults on the enemy, scoring remarkable gains.

In the meantime, enjoying allround cooperation of the people, the Parwan armed forces have maintained the security of the highway, leading from Kabul to Hairatan via Salangs. As a result other primary requirements of the people from Hairatan port to Kabul and other provinces have been increased two-folds during the 1369 H.S. compared to the year 1368 H.S. Human and material wastages throughout the highway has almost completely vanished.

For further deepening of the NR policy in the villages and localities of Parwan province over sixty people Jirgahs with the participation of ulema, religious scholars, influentials, national entrepreneurs and intellectuals were arranged which have given positive results. Continuation of contacts and dialogue with the armed groups were the top subjects discussed in these Jirgahs.

Over four hundred armed and unarmed opposition members in composition of 13 groups have joined the state side, individually, and thus the plan for consolidation of state sovereignty was implemented more than the plan targets.

Now that we are beginning the year 1370 H.S. people's tendencies toward peace, reconciliation and reconstruction of the country and leading a peaceful life is strengthening more than ever before. We have some measures to provide the people of the province with the opportunity to better shape their life through safe cultivation of land and other routine duties.

Q: How do you assess the Parwan economic situation and what assistance do you have in view to the peasants and orchard owners for improvement of agriculture and boosting of agricultural production in the province?

A: Besides being the main grape-producing province, it has two rather large cement producing factories and a textile mill in Jabulseraj district. The factories were active during 1369 H.S. and the cement plants implemented its production plan targets by 93 percent and the textile one by 74 percent. Meanwhile, the Bagram raisin processing plant has been reactivated last year and set to work with a capacity of processing 2,000 tons raisins per annum.

Parwan province possesses 910 hectares of vineyards and more than 13 million grape vines. The state authorities there pay utmost attention to improve vine growing and render any possible help to the vine growers. More over all the area and sulphur fertilisers, improved wheat seeds quota of the province have been placed at the disposal of the peasants there. Notable is the fact that last year a bag of fertiliser was given to peasants at a cost of Afs.[Afghanis] 700 much cheaper than the market prices.

In accordance with the instruction of the Presidential Office and the Council of Ministers' resolution, it has been decided that transfer of fertilisers and improved seeds to the Parwan province during 1370 be further activated than the previous years. Though, the quota specified for the province does not fulfill the requirements, but we are hopeful that this will be transported on time and be placed at the disposal of peasants of the centre of Parwan and the opposition controlled districts on the basis of understanding reached earlier, and thus help further deepening and expansion of national reconciliation in the country Gen. Tareq noted.

Q: How many commissions are active in Parwan province? Please shed light on the achievements of these commissions.

A: Commissions for mines clearance, combatting against narcotics, commission for dealing with natural disasters, and a commission for supervising the distribution of primary goods.

Based on understanding reached with the opposition forces the mines clearing commission have cleared from mines the village of Lala Mirkhan recently. The process is successfully being pursued. The commission for combatting narcotics has eliminated last year 40,000 hashish bushes and seized 27 kgs of hashish and destroyed it, and treated 42 addicts. The commission for dealing with

natural disasters have assisted Afs. 4 million to the deserving families last year and distributed a considerable of consumer goods to the deserving families on the instruction of the Council of Ministers.

The provincial authorities have distributed to the inhabitants of the province including the invalids and the disabled and the families of the martyrs 39 percent of oil quota placed at its disposal last year.

Q: How do you evaluate the state of education there and what measures you have in view for its expansion during the current year?

A: Twenty-five schools with an enrollment of 17,560 students were active in Parwan province last year. They were being taught by 547 teachers and supervisors.

Education curriculum was implemented hundred percent and 174 students were graduated of which 130 attended matriculation examination as a result of which 98 percent of students went through the exam. Our plan in 1370 H.S. construction of seven new schools and 3,500 children at school going age will be enrolled in the schools this year. Four schools in opposition controlled districts were also provided with teaching materials by the Parwan Education department as well. Plans are underway this year for procurement furniture and other school teaching materials:

Q: What facilities being provided for improvement of religious education, health services? Would you explain last year's income of Parwan province?

A: To provide the people with better facilities to perform their religious obligations, besides carrying of repairs on Huphyan Congregational Mosque; 12 new mosques have been built last year. Moreover, six other mosques were partially repaired and painted in some parts of the province with total cost of 8 million Afs. And, for rendering better health services Afs. 7 million was spent for repairing of public health department of the province. The Parwan province earned an income of Afs. 320,000,000 last year, indicating more than Afs. 90,000,000 than the year 1368 H.S.

Availing of this opportunity I would like to extend my heartiest gratitude and appreciation to the personnel of the armed forces and the heroic pilots of the airforce stationed in the Parwan province who have shown dedication, devotion and steadfastness in maintaining the security of the Kabul-Hairatan highway and in ensuring peace in the province. I like to assure the leadership of the Republic of Afghanistan that we would do our best to further expand and deepen the national reconciliation policy through ensuring peace in the province, the Gen. concluded.

Third Phase of Kabul Airport Nears Completion

91AS0917A Kabul THE KABUL TIMES in English
13 Apr 91 p 4

[Article by Lailuma Natawah: "KIA [Kabul International Airport] Project To Be Completed"]

[Text] The third extension construction phase of Kabul International Airport KIA is nearing completion. The project include construction of passenger reception hall, a service block, reconstruction of the existing terminal, airport traffic block, steam house building structures for fuel supplies-consisting of nine blocks water pump stations each with the capacity of 1000 c.m.

Stating this to a KT [KABUL TIMES] reporter, Eng. Khan Aqa, said that the third phase of work on the airport extensive project has progressed 70 percent. This process is continuing in full swing.

As the design of the project has been made by a Lenin-grad Institute of the Soviet Union, therefore, the construction work on the project is also supervised by experts from that Institute and the project as a whole is financed by the credit of the Soviet Union and the developmental budget of the Ministry of Civil Aviation and Tourism, Eng. Khan Aqa noted.

The project has been designed to provide better and advanced facilities for passengers and expand the scope of receiving additional passengers by the airport, to be able to compete with many other modern international airports, Eng. Khan Aqa reiterated.

He added that measures are underway during the current year to speed up completion of the complex. The foreign supplied materials and equipments for the Project are provided by the Soviet Union and the local materials are procured by the Afghan Construction Unit for building the complex.

He further elaborated that the first phase of the complex which included construction of establishments for first aid, fire brigade unit, building for housing automatic diesel generators, power junctions, airport security establishments, and a large hangar for the Bakhtar Airlines, were completed by the Afghan Construction Unit, Road and Airport construction Department, and the Helmand Construction Unit during the year 1364, six months before the planned target.

And, the second phase consisted of the complex for domestic flights. The major component of the complex included a pavilion for housing commercial goods, the canalisation drainage system, a block for housing a 200-kw generator, a 300-line automatic telephone unit, some security rooms, decorative establishment for the domestic flights terminal, general electrification of the airport, building of a general campus for the airport, some auxiliary godowns and required establishments and other engineering networks, Eng. Khan Aqa concluded.

Visa Rules, Regulations Detailed

91AS0917B Kabul *THE KABUL TIMES* in English
20 Apr 91 p 4

[Article: "Facilities for Foreigners Visiting Afghanistan"]

[Text] In every country including the Republic of Afghanistan [RA], there exists specific rules and regulations for the citizens who travel abroad and foreigners who want to come here.

To further apprise the readers of more details of the regulations valid in this respect in the Republic of Afghanistan, our reporter has made an interview with the Passport Department of the interior Ministry, Mohammad Qader Mahboobi. Excerpts are reproduced here below:

The foreign nationals willing to pay visits to the Republic of Afghanistan, either for short or long periods are entitled to observe the following:

As per article 37 of the law on passport, the Interior Ministry is duty bound to issue visa for ordinary passports.

Chapter second of the law on the passport has explained the varieties of visa and their validity period as follows:

- As per article 4 of this law, the entry visa to the Republic of Afghanistan is issued by the Afghan diplomatic missions abroad, being valid for 15 days after entering the Afghan territory.
- As per article 5 of this law, the work visa is issued by the Afghan diplomatic missions for those foreigners who travel here for the purpose of work. Its validity depends on the demand of the concerned Afghan host organ.
- The diplomatic missions also issue visa for those foreign nationals who desire to pay a visit to the Afghanistan for education, scientific observation, religious rites, sports and similar purposes. This category including those invited to attend conferences, meetings, seminars, or official visits.
- The visa can be extended from three months to one year or more as per an official request. The foreign national shall pay 400 Afs.[Afghanis] in case he stays for less than six months, and Afs. 1000 for six months and Afs. 2000 for a year, in line with article 7 of the law.
- The Afghan diplomatic missions and consulates are authorized to issue transit visa to foreign nationals. The period of its validity is (72) hours via air and days through land, and they shall pay 7 dollar visa tax based on the articles of the law.
- Based on article 9 of the law, the Afghan diplomatic missions and consulates shall also issue double transit visa for foreign nationals, paying 14 dollar as visa tax.

—Tourist visa shall be issued by the Afghan diplomatic missions abroad for foreign nationals with a validity of one month and could be extended inside Afghanistan by the tourist organization two months more, as per article 10 of the law.

—Visa shall also be issued to the foreign staff and to members of those families whose head is working the Republic of Afghanistan. The validity of this visa is from one to three months and its tax is 500 afs.

—Multi trip visa shall be issued by the Afghan concerned authorities to the staff of the foreign agencies, crew, drivers and conductors and family members nationals whose heads are working here. The period of this visa is from three to six months, with paying Afs. 1000 for three months and 2000 for six months.

—Those foreign ladies who marry Afghans and have not given their applications for citizenship are recognized as foreign nationals and as per article 77 of the passport law they shall be issued one year visa provided their husbands give an application to this respect and submits their marriage document.

Of course, visa tax shall depend on the duration of stay in the RA.

—In accordance with article 42 of the law, any foreign national who travels to the Republic of Afghanistan or stays here for a longer period shall obey the provisions of the law.

In case a foreign national does not extend his visa after the date of expiry without any reasonable excuse, he is fined 1000 Afs for each day and after three months 2000 Afs for every passing day.

New Magazine Begins Publication

91AS0919B Kabul *THE KABUL TIMES* in English
23 Apr 91 p 4

[Text] The first issue of MUJALA-E-WATAN, monthly magazine, organ of the Central Council of Watan Party has of late come out with the main mandate to cover the political and theoretical thoughts of the Watan Party and national reconciliation as its strategy in line with its new political thinking.

The magazine will also cover teachings of the sacred religion of Islam, valuable achievements of Islamic culture, and will mirror the epics of the fighters of independence of the country and underline the need for preserving the cultural values of the past. (BIA)

BANGLADESH

By-Election Announced for 11 June

91AS0945 Dhaka THE BANGLADESH OBSERVER
in English 23 Apr 91

[Text] By-election to the 10 vacant seats of the Jatiya Sangsad will be held on 11 June, the Election Commission announced in Dhaka on Monday, reports BSS.

According to a gazette notification issued by the Election Commission nomination papers will have to be submitted to the Returning Officer or the Assistant Returning Officer on 18 May.

Three dates for scrutiny of nomination papers by the Returning Officer and withdrawal of candidature are 19 May and 26 May respectively.

By-elections will be held in 218 Madaripur-2, 42 Bogra-7, 184 Dhaka-5, 188 Dhaka-9, 286 Chittagong-8, 118 Bhola-2, 19 Rangpur-1, 20 Rangpur-2, 23 Rangpur-5, and 24 Rangpur-6 constituencies, the notification added.

The by-election is necessitated following the vacation of seats by Prime Minister Begum Khaleda Zia (four seats Bogra-7, Dhaka-5, Dhaka-9 and Chittagong-8), former President H.M. Ershad (four seats Rangpur-1, Rangpur-2, Rangpur-5 and Rangpur-6), one seat each by Tofael Ahmed (Bhola-2) and Abdur Razzak (Madaripur-2).

They were elected from more than one set in 27 February parliamentary polls.

Panel Discusses Incidents on Indian Border

91AS0942 Dhaka THE NEW NATION in English
25 Apr 91 pp 1, 8

[Text] Trans-border crimes such as smuggling, trespass, violation of border guidelines, cattle lifting, kidnapping, killing and dacoity committed by the people from across the border are said to be the major causes for the present border skirmishes with India. [sentence as published]

The Indo-Bangladesh border coordination meeting held in Chittagong on 23 April in the wake of border conflicts in Kushtia border which cost two precious lives of BDR [Bangladesh Rifles] jawans along with nine civilians decided to keep their respective borders free from crimes and discord to ensure peace and tranquillity.

Meanwhile the BSF [Border Security Force-India] battalion deployed in Kushtia border, which was engaged in fighting with BDR have been withdrawn. There were also some broad understanding between the two sides on some specific matters.

The Bangladesh delegation was led by Brigadier Abdullah Al-hussain, Deputy director General of Bangladesh Rifles, while the Indian side was headed by BSF Inspector General for Tripura Ayodhyanath Pathak.

The meeting stressed on specific identification of trans-border crimes and effective counter-measures to put a check on these.

Matters relating to law and order situation in border areas, land disputes and maintenance of border pillars came under discussion in the border conference and they were termed as the stumbling blocks in having good neighbourly relations with India.

After the detained discussion the two sides agreed to take stringent measures to nab criminals, in order to secure their respective borders.

Both the sides also decided to exchange information regarding smugglers operating on both sides of the border and to hold meeting at sector and battalion level in order to solve problems requiring immediate attention.

Kazipur of Meherpur, Chhagalnaiya of Noakhali, Gangachhara of Rangpur, Sylhet and Bogra borders have been identified as permanent spots for border skirmishes having origin in trans-border crimes. The smugglers along the border lines are very active in those areas.

The BDR source said, the fighting broke out in those border areas not due to issues arising out of undemarcated frontiers or land dispute in the border belt. Land grabbing was not always the main factor behind all the fighting. On most of the occasions the BSF men penetrate deep into the Bangladesh territory in aid of Indian smugglers and trespassers from across the border. The smuggling which has taken the proportion of open border trade had involved millions of people along the border of both the countries. The BDR source said on 19 April, the BSF forces backed by a large number of Indian citizens entered into Bangladesh territory and opened fire indiscriminately on the Bangladesh people. The mission was ostensibly on destroying the properties of Bangladesh people. In the process about 12 lives were lost. The Indian troops and their civilian backers retreated to their side of the border when their mission was complete.

On 15 April BSF men along with their civilian accomplices entered into Kazipur border in Meherpur inside Bangladesh territory where destruction of civilian properties is said to be their only motive. One BDR personnel and one Bangladesh civilian were killed in the encounter with the BSF personnel.

On 13 April the Bangladeshi people fishing in the river Mahananda in Thakurgaon district were subjected to BSF attack.

On 2 April in Sylhet district the Bangladeshi labourers working on a river dam fell prey to sudden attack of Indian troops and one labourer received bullet injury.

On 21 March Chhagalnaiya under Feni district, the constituency from where the Prime Minister of Bangladesh Begum Khaleda Zia got herself elected to Parliament, came under attack of the Indian troops which

resulted in the death of four persons. In almost all the cases border disputes were not the main reasons, which invited Indian attack. The Indian troops gave shelter to the criminals operating from across the border and gave cover firing to enable these Indian anti-socials to indulge in anti-Bangladesh activities.

Bangladesh people living in Dahagram and Angarpota enclaves have often fallen victims to piracy let loose by the Indian dacoits.

Shallow tubewell engines, seed beds and crop fields have also become target of those Indian attacks. The intrusion of BSF men into Bangladesh territory, killing of unarmed people and damage of crops and houses and arson committed by them are nothing but a naked interference in the independence and sovereignty of the country.

The Indian motive seemed to be harassing the people of border belt of Bangladesh.

Sources said that Indians of ten try to cover up their un-neighbourly activities while indulging in such criminal actions, by trying to relating them to border disputes. These are part of the attempt to blame Bangladesh. While BDR and people of Bangladesh try to resist these crimes for a peaceful border, the BSF appear to harbour them. Sources said unless BSF authorities honestly act to stop its men from barbouring border crimes, situation may not improve and many more innocent lives will be lost.

Awami League Proposes Constitutional Amendment

91AS0944A Dhaka *THE NEW NATION* in English
23 Apr 91 pp 1, 8

[Text] Bangladesh Awami League has tabled a bill to amend the Constitution to provide for replacement of the existing presidential form of government by parliamentary one as envisaged in 1972 Constitution.

The bill was moved to the Speaker's Secretariat by the Deputy Leader of AL Parliamentary Party Abdus Samad Azad on the 14th of this month.

Known as the Constitution Eleventh Amendment Bill, 1991 it seeks to amend Articles 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 67, 72, 73(A), 88, 92(A), 99, 122, 123, 124, 141(A), 142, 147, 148 and second, third and fourth schedules of the Constitution.

In effect, the amending bill, which is expected to be introduced in the House on any private members day, is intended to annul the 4th amendment without however effecting other Constitution amendments including the 5th amendment.

Explaining the objective of the bill its mover Abdus Samad Azad told *THE NEW NATION* that this piece of legislation had been brought in to make the accountability of the Government mandatory to the sovereign Parliament and to ensure transfer of power to it as had

been laid down in the joint declaration of the fifteen, seven and five-party alliances.

Abdus Samad Azad further went on to add that this constitutional amendments are proper and indispensable to cause transition to parliamentary form of government as well as to impart durable constitutional shape to democracy.

Another striking aspect of the amendment is to give ratification to the appointment of the Acting President and to enable him to continue his office until his successor takes over the said office. It also enables the Acting President to return to his parent post of Chief Justice at the expiry of his current term in the presidency.

The tabling of the bill, which seeks to translate into reality, the pre-election commitment of three alliances that spearheaded the mass upsurge against the autocratic regime of H.M. Ershad, is well received by almost all parties and groups in the House.

Welcoming the bill, the Leader of the Jamaat-e-Islami Parliamentary Party Maulana Matiur Rahman Nizami told this correspondent that, in principle, his party stood for the parliamentary democracy. If the bill is rejected, the politics will spill over from the parliament to Paltan and confound the confusion.

Abdus Samad Azad said other smaller parties and groups in the House had reacted favourably to the amending bill. He claimed to have established contact with members of BNP [Bangladesh Nationalist Party] parliamentary party who, he said, were in complete agreement with Awami League on the amending bill.

Asked if he had tried to sound JP [Jayito Party] members in the Parliament on the subject, he replied in negative. Frankly we do not know their stand on the bill, although we have circulated it among all members without exception regardless of their party affiliation.

Policy on ADB Loans to Bangladesh

91AS0930A Dhaka *THE NEW NATION* in English
15 Apr 91 pp 1, 8

[Text] The Asian Development Bank [ADB] said yesterday it had diversified and expanded lending policy in Bangladesh to enhance the country's economic growth, reports BSS.

In its annual report, released here, the Manila-based bank said it aimed to enhance economic growth through encouraging macro and sectoral policy reforms, particularly in mobilising domestic resources, liberalising economy and raising standard of living.

The Bank said it would continue to give priority to agriculture with emphasis on increasing foodgrain production through better flood control, drainage and infrastructure.

The Bank's lending programme in Bangladesh includes projects to assist rural and disadvantaged groups through credits, training, and employment creation, the report said.

The Bank discussed the Bangladesh Government's medium-term adjustment programme aimed at achieving rapid growth, enhancing investment and savings, maintaining budgetary and balance of payments stability, fostering a dynamic private sector and developing human resources.

The key subjects were domestic resource mobilisation through tax reforms, enhanced cost recovery and the reduction of subsidies.

The ADB gave Bangladesh 356 million US dollars as loans in 1990 with more than a third going to social sector, the report said.

The bank has so far approved loans worth 3.154 billion dollars to finance 85 projects since 1972.

The report said "of the 93 loans approved for Bangladesh as of end-1990, 46 had been closed and 47 were under administration."

It said disbursement totalled 306 million dollars in 1990 against 322 million in 1989. This brought cumulative disbursement to 1.698 billion dollars or 56 percent of the total net effective loan amount.

"The improvement in disbursements reflects the closer attention paid by the government and executing agencies to project implementation," the report said.

B. Chowdhury

The Asian Development Bank (ADB) will provide loan to finance non-formal education in Bangladesh. [sentence as published]

The ADB resident representative in Bangladesh, Mr. Basudev Dahal, during a meeting yesterday with Minister for Education and Cultural Affairs Prof. A.Q.M. Badruddoza Chowdhury informed that the bank would extend 2.5 lakh US dollars to determine the scope and strategies of assistance in non-formal education and in preparing a loan proposal. An ADB mission will arrive here soon to discuss matters relating to the non-formal education programme, he said.

Mr. Dahal apprised the Minister of the status of the on-going projects under ADB loan. He informed that a project on secondary science education would be completed by December next for which the bank had provided 37 million dollars as loan. The present status of open university project and the secondary education sector project also came up for discussions.

Prof Badruddoza Chowdhury apprised the ADB representative of the political will and commitment of the BNP [Bangladesh Nationalist Party] government for mass education programme.

He said the BNP government would undertake a massive mass education programme with emphasis on health care, nutrition, functional literacy, science in everyday life, country's geography and civil and political rights. Mass media will be used for the purpose, he added. He sought greater cooperation from the bank for the success of the programme.

Paper Reports Water Sharing Talks With India

Opening Day's Meeting

91AS0943A Dhaka THE BANGLADESH OBSERVER
in English 24 Apr 91 pp 1, 8

[Text] Bangladesh and India on Tuesday began a two-day meeting to discuss the complex water sharing issue between the two countries, reports BSS.

The secretary-level meeting devoted itself to discussing the problems of major common rivers with a view to reaching an understanding as far as possible on the vital issues like the sharing of the waters of the Ganges, it was learnt.

Mr. M.A. Malik, Secretary Ministry of Irrigation, Flood Control and Water Resources, has been leading the six-member Bangladesh side to the talks while Indian Water Resources Secretary Dr. M.A. Chatal is the leader of his country's delegation.

The talks were mainly focussed on the Ganges, Teesta and the Brahmaputra rivers while other common rivers also came up for discussion, officials said.

The leader of the Bangladesh delegation said talks were held in a friendly atmosphere and the two sides would make the position known after the conclusion of the meeting today (Wednesday).

Discussions are taking place in a friendly atmosphere said the leader of the Indian delegation when approached by newsmen for his comment.

Asked whether the talks were making any progress, Dr. Chitale described the discussions as lively.

When pressed if he was satisfied with the first day's deliberations, a smiling Dr. Chitale observed you can make out from my faces. [sentence as published]

The talks began at 11 a.m. and continued till 6:30 p.m., beyond schedule with a lunch break.

The Indian team included High Commissioner in Bangladesh K. Srinivasan and commissioner in the Water Resources Ministry Mr. Ramesh Chandra.

Earlier Agriculture and Irrigation, Water Development and Flood Control Minister Majid-ul-Haq said that the misunderstanding on sharing of the Ganges water would come to an end soon, an official handout said.

He was talking with the visiting Indian Secretary for Water Resources Dr. M.A. Chitale who called on him at this office.

Bangladesh High Commissioner in India Mr. Farooq Ahmed Chowdhury and Indian High Commissioner in Bangladesh Mr. K. Srinivasan were present on the occasion.

Mr. Majid-ul-Huq said that a historic agreement on sharing of the Ganges water was signed in 1977. But after 1982, India changed her stand on water resources and no agreement was signed during the last nine years of autocratic rule. He expressed his optimism that a happy beginning might be started from the Indian side on distribution of water of all the rivers common to both the countries as a democratic government has been voted to power in Bangladesh which was absent during the last nine years.

The Minister said that after extreme shortage of water for a number of consecutive years the people of Bangladesh were eagerly looking towards the secretary level meeting for the solution of this problem.

The Agriculture Minister said that the development of Bangladesh and India are closely related as the economy of both the countries are mostly agriculture based. He laid stress on regional cooperation for development of both the countries and said that the fate of about one hundred crore people would depend on successful implementation of the projects for regional cooperation.

The Indian Secretary for Water Resources in reply expressed his sincere interest for a fruitful and durable solution on sharing of water of the common rivers. He hoped that the leaders of both countries would be able to find out a pragmatic solution of the problem.

Commenting on news-item that the water level under the hardinge bridge at Pakshi had come to the minimum of all times the Indian Water Resources Secretary said that the Indian government would always invite observers to see the real situation of Farakka.

Indian does not want to create an information gap on this issue.

He said that the visit of the observers and the experts of both the countries would help ending misunderstanding among the people on the issue and ultimately strengthen the mutual understanding and friendship between the two countries, the handout said.

Agreement Concluded

91AS0943B Dhaka THE BANGLADESH OBSERVER
in English 25 Apr 91 pp 1, 8

[Text] Bangladesh and India Wednesday concluded their Secretary-level talks on sharing the waters of common rivers with a decision to attach priority to sharing the flows of rivers Ganges and the Teesta, reports BSS.

The two-day meeting agreed that a joint technical team would visit the areas in India and Bangladesh which are dependent on the flows, take note of the relevant ground situation on both the sides and report to their respective governments.

A joint Press release issued at the end of the meeting, said that the Secretary-level committee agreed to intensify efforts to accomplish its assignment.

The two sides agreed on the visits by the joint technical team to achieve the purpose of sharing the waters including those of the Ganges and Teesta.

Bangladesh delegation to the talks was led by Secretary, Ministry of Irrigation, Water Resources and Flood Control Mr. M.A. Malik and included among others High Commissioner to India Faruq A. Chowdhury and Additional Foreign secretary Mahmood Ali.

The Indian team was headed by Secretary in the Water Resources Ministry Dr. M.A. Chitale and included among others High Commissioner in Bangladesh K. Srinivasan and Commissioner in the Water Resources Ministry Ramesh Chandra.

The talks lasted Wednesday for four hours before the Indian delegation left for home.

The leader of the Bangladesh team said the outcome of the talks was a "progress."

About the sharing of waters of Teesta, the two sides agreed that Bangladesh side would prepare a draft operational plan for consideration of the next meeting, which will be held in New Delhi in July this year.

The two sides also agreed that a joint team would observe and monitor the dry season flows at Farakka and Hardinge Bridge.

The last meeting between the two countries at the level of secretaries took place in October last.

Foreign Minister's Remarks

91AS0943C Dhaka THE BANGLADESH OBSERVER
in English 25 Apr 91 pp 1, 8

[Text] The Tin Bigha Corridor will be handed over to Bangladesh by India in the near future. Foreign Minister A.S.M. Mustafizur Rahman told the Jatiya Sangsad Wednesday, says BSS.

Replying to a question from Salahuddin Yusuf (AL-Khulna), the Minister said the Indian government had assured Bangladesh that it would be handed over in the near future.

He said Bangladesh was to get a permanent lease of the Tin Bigha Corridor under an agreement signed between the two countries in October 1982 to maintain communications between the two enclaves—Angorpota and Dahagram—with the mainland of Bangladesh.

He said later the Indian government informed Bangladesh that the implementation of the agreement was being delayed as several writ petitions had been filed in the Calcutta High Court by the citizens of those areas.

The Foreign Minister said the Supreme Court of India gave a verdict on 5 May 1990 stating that there was no constitutional bar in handing over the corridor to Bangladesh and opined that it should be handed over immediately to further develop bilateral relations.

He said the Indian authorities had taken necessary administrative steps to hand over the corridor. He said the Indian government had assured us that it would be handed over in the near future, the two countries are maintaining contact in this regard, he added.

Replying to another question from Haji Rashed Mosharraf (AL-Jamalpur), the Foreign Minister said Bangladesh and India had a 25-year bilateral agreement called "friendship" cooperation and peace agreement, he said the agreement was signed on 19 March 1972.

Asked whether the present government would terminate the agreement, the Minister said, if you (opposition) want everything can be done.

Reports, Comment on Water-Sharing Problem

Bangladesh: Progress Made

91AS1039A Dhaka THE NEW NATION in English
29 Apr 91 pp 1, 8

[Article: "Delhi Tells Dhaka To Forget Ganges"]

[Text] A couple of days before the latest round of water talks began between Bangladesh and India in Dhaka last Tuesday, a senior official informally asked the Irrigation Secretary M.A. Malik whether he was hoping for any kind of breakthrough during the two-day negotiations.

Given the complex nature and the history of water talks between the two countries, there was perhaps no reason for the Irrigation Secretary to be optimistic and he said so.

Yet the meeting ended on Wednesday with Bangladesh claiming "some progress". What it means is not quite clear. According to press reports, the net outcome of the secretary-level talks was an agreement on "attaching priority to sharing the flows of the rivers Ganges and Teesta."

A closer look at the earlier negotiations reveals that the latest agreement is just the repetition of what was already agreed upon at the secretary-level talks held in Dhaka on June 21 last year.

In fact the latest exercise was a futile one and it appears that the entire efforts of Bangladesh side were concentrated on nullifying the agreement signed last October in Delhi.

The October meeting decided that in addition to the Ganges and the Teesta "immediate priority should be accorded to Brahmaputra and Barak/Meghna, constituting the major flows in the two countries so that sharing arrangements are worked out with a 20 to 25 years time perspective before the commencement of the next day season."

The last agreement was against the interest of Bangladesh, a member of the delegation said. It proves that Ershad was desperate to win over India in an effort to get Delhi's support to save his tottering presidency from collapse. The October meeting coincided with the beginning of the anti-Ershad movement that finally swept him out of power last December.

To persuade Delhi to agree to go back to the June, 1990 agreement was not altogether easy. During the marathon meeting this time the point Dhaka emphasised was that the new, democratic government in Bangladesh was not prepared to accept the agreement signed by the Government of the fallen dictator in his last days.

"Happily, the Indian side accepted our argument," said the delegation member, ostensibly "in deference to the peoples' mandate given to the new government."

Although the latest round of negotiations ended with a positive note, the Indian side raised something during the talks that gave Bangladesh a real cause for concern.

New Delhi told Dhaka that it should look for alternative sources for its water needs in the future as the flow in the rivers "particularly the Ganges and the Teesta will be getting reduced progressively due to ever increasing water utilisation for consumptive purpose." It can, however, be replenished from Brahmaputra waters, the Indian delegation suggested.

In plain terms, it means that Bangladesh must include Brahmaputra in the future talks on water sharing with India and be mentally prepared to forget about the Ganges.

Ganges Exploitation

91AS1039B Dhaka THE NEW NATION in English
30 Apr 91 pp 1, 8

[Article: "India To Divert Ganges Flow by 2000"]

[Text] India is building dams, barrages and reservoirs to store half of total flows of rivers passing through the country, according to an Indian expert.

Writing in a journal of Indian Institute of Management recently, Mr. Ramchandran Singh Deo, former Irrigation Minister of Madhya Pradesh and leading water expert, reported India would be completing exploitation of water resources of all tributaries of the Ganges by 2000 AD.

"So after 2020 AD what would remain on the river front are the few minor battles to be fought in relatively

unknown streams, that also uneconomical" Mr. Deo wrote. This underlined the fact that India would be completing work of harnessing surface water specially of the rivers for its use in next 30 years. This will include the harnessing of the waters of the international rivers like the Ganges, the Brahmaputra, Barak and Jamuna which are the lifeblood of the economy and the source of existence of the lower riparian country like Bangladesh.

Experts and informed sources say that India dilly dallies over any negotiations relating to sharing of the waters of international rivers with the neighbours only to enable its engineers complete the work of harnessing the water resources.

According to Mr. Deo, India has completed construction of over 1,560 dams and barrages to harness the river waters. He expressed fear that India would have not enough site to build water reservoir after 2010 AD if the work continued at this present pace.

These open up possibilities for attaining self-sufficiency in food production by India. But, he warned, these projects had thrown up new problems, principal among them was siltation and denudation of forests affecting the weather and ecology in India itself. India today face untimely drought and floods.

He warned that in about 100 years all reservoirs will be silted up and any programme to desilt will be uneconomic.

The water experts suggested that the Indian Government should stagger the construction of the reservoirs to understand its impact on the weather and ecology.

For "nature has its own way to have its revenge," he warned.

While the reservoirs and dams on the tributaries of the Ganges and other international rivers spring up, the availability of water down stream dries up, experts in Dhaka said. "It will be so critical that Bangladesh will get no water from the Ganges and the Brahmaputra within, next 30 years. India will thus present the situation as fait accompli an expert who preferred not to be quoted said.

He said Bangladesh must demand data on dams and reservoirs built by India upstream to understand how much water out of the perennial flow India has already diverted. She must compensate the shortage, he said.

India's Attitude Scored

91AS1039C Dhaka THE NEW NATION in English
30 Apr 91 p 5

[Editorial: "Ganges, O Ganges!"]

[Text] While the Ganges is in a dying condition in its Bangladesh side incurable optimists found a ray of hope in "some progress" that was supposedly made at the 4th Secretary level meeting between India and Bangladesh

that concluded on Wednesday. Discerning eyes, however, did not fail to see that the talks achieved precious little in view of the success stories of the previous rounds of talks that numbered one score and seven. The agreement to monitor the water levels at Farakka and Hardinge means actually nothing in the absence of assurances about ensuring Bangladesh a fair share of the Ganges water.

As a report appearing in this paper has it, the entire efforts of Bangladesh were directed towards nullifying the agreement signed last October in Delhi which said, among other things, "Immediate priority should be accorded to Brahmaputra and Barak/Meghna constituting the major flows in the two countries so that sharing arrangements are worked out with a 20 to 25 years time perspective before the commencement of the next dry season." This in effect meant the diversion of attention from the Ganges to the Brahmaputra—a theme India is harping on all these years. This was a concession given to India by the tottering Ershad regime that was desperately seeking Indian support to save it from total collapse. Solving the Ganges water problem by augmenting its flow through a link canal from Brahmaputra to Farakka through Bangladesh is like measuring the length of a monkey by its tail and is palpably absurd and unacceptable to Bangladesh and its near democratically elected government.

Although the Indian side listened to the arguments of the Bangladesh side, it reportedly told the home team to look for alternative sources for its water needs in future as the flow in the rivers "particularly the Ganges and the Teesta will be getting reduced progressively due to ever increasing water utilization for consumptive purpose." The India delegation suggested that it can be replenished from Brahmaputra waters. Consumptive purposes virtually means feeding the irrigation networks of Uttar Pradesh and Bihar and means in effect robbing Peter to pay Paul by denying both Bangladesh and West Bengal their due share.

God grant that we are mistaken or we will be in for further trouble in the future so far as water sharing is concerned. Uppish diplomatic considerations apart, we fail to see why India should so studiously avoid the proposition of augmenting the dry-season flow of the Ganges by building reservoirs in the upper reaches of the river with Nepal's co-operation which she has offered so generously. Dr. Subramaniam Swami's candid confession that big brotherly attitude on the part of India stands on the way of solution of all outstanding issues between Bangladesh and India have taken on a terrible veracity. We only hope that good sense will dawn on India and that she will consider solving the problem of Ganges water sharing through regional co-operation. Both SAARC [South Asian Association for Regional Cooperation] and ESCAP [Economic and Social Commission for Asia and the Pacific] can come to the aid of both the countries in this regard. It will be helpful to remember in this connection that ESCAP was mandated to undertake a study on the problems and prospects of

the development of the shared water resources as a follow up of Mardel Plata action plan. It was pointed out by the leader of the Bangladesh delegation, Mr. Saifur Rahman at the 47th annual session of ESCAP held in the first week of April in Seoul, which was attended by Dr. Subramaniam Swami, the Indian Commerce and Law Minister, who gave a very enlightening interview to a local daily on all outstanding issues between the two countries. Will India please heed the voice of sobriety and wisdom?

INDIA

Financial Aid Sought From Foreign Banks

Shukla Addresses ADB

91AS1027A Madras *THE HINDU* in English 27 Apr 91
p 9

[Boldface words as published]

[Text] Vancouver, 26 April—India today sought the help of Asian Development Bank [ADB] to overcome its temporary liquidity problem and said it was determined to make the necessary macro-economic adjustments to overcome present difficulties.

"We recognise that we do not have soft options," the leader of the Indian delegation and the Finance Secretary, Mr. S.P. Shukla said, adding that the Government was confident that the process of adjustment initiated in the interim budget would be followed up further after the general elections.

Soliciting the help of international financial institutions, like the Asian Development Bank, Mr. Shukla, who was addressing the annual meeting of the ADB here, underlined the "resilience and the inherent strength" of the country's economy. The annual report of the bank, he said, had succinctly described the impact of the Gulf crisis on the development countries. For India, the oil prices increased at a time when the economy was facing a difficult fiscal and balance of payment situation.

Dramatic impact: The impact of the Gulf crisis has turned out to be dramatic. Each additional dollar increase in the price of crude oil added \$225 million in India's annual import bill at 1989-90 rates of consumption and production, he said. In addition to the higher cost of oil imports, there have been heavy costs associated due to loss in remittances from, and exports to, Kuwait and Iraq. The inevitable increase in the domestic prices of petroleum products that followed exacerbated inflationary pressures in the economy.

Mr. Shukla pointed out that India responded to the Gulf crisis by adjusting the price of petroleum products, exercising strict control over Government expenditure, and mobilising additional revenues in order to reduce the fiscal imbalance.

The centrepiece of India's strategy for macro-management of the economy was fiscal adjustment and consolidation. Despite the severe strains caused by the impact of the third oil shock, the GDP [gross domestic product] growth in real terms in 1990-91 would be about 5 percent. This demonstrated the inherent strength of the Indian economy, he said.

Praise for president: Mr. Shukla commended the ADB president, Mr. Tarumizu for the initiative taken by the bank recently to extend special assistance to the affected developing countries in order to mitigate to some extent the adverse impact of the Gulf crisis.

The speed with which the decisions were taken in the bank deserved special praise, he said. "We are grateful that the bank helped us by providing \$150 millions to pay for the higher cost of petroleum products."

Mr. Shukla made an impassioned plea for expanding the size of the soft loan window of the bank, the Asian Development Fund [ADF], now about to be replenished and for access to it for India and China.

Arguing for an expanded ADF, Mr. Shukla said: "the burden of development today is very different from what the industrialised countries faced during their process of industrialisation. Concerns regarding the environment, protection of the underprivileged and the eradication of hunger have to be balanced with the need for a higher rate of growth. This involves a substantial cost. International cooperation would ease the path of transition which must be traversed by the developing countries. Availability of concessional assistance is an important ingredient in this co-operative venture.

Other Banks Approached

91AS1027B Calcutta *THE TELEGRAPH* in English 24 Apr 91 p 8

[Text] Calcutta, 23 April—India has started approaching foreign banks in the United Kingdom, France, Germany and Singapore for commercial loans to tide over the present balance of payments crisis, Mr. Amitava Ghosh, deputy governor of the Reserve Bank of India, said here today.

Addressing members of the Bengal Chamber of Commerce and Industry, Mr. Ghosh said the "overall situation is pretty disturbing and the balance of payment position is extremely difficult." Mr. Ghosh, however, did not spell out the names of the foreign banks being approached.

The deputy governor pointed out that India would get loans worth \$150 million from the Asian Development Bank within a week and is likely to get aid worth several million from Japan. The government was also approaching non-resident Indians for loans with the stipulation that they "must come through recognised banks."

Mr. Ghosh observed that though India needed direct foreign investment, it was not appropriate at this moment. He, however, said "one can make cushions for it as it would promote employment and competition and develop the country's economy."

Laying great stress on exports, Mr. Ghosh said the export scenario at the moment was not "very encouraging" and the country could have managed to face the situation if exporters cooperated. He stated that export procedures should be hastened and everybody associated with it "ensure it," adding "there was every scope to increase the country's global export share from the level of 0.5 percent."

For export finance the Reserve Bank of India [RBI] was also encouraging the scheduled commercial banks to set up overseas branches to facilitate exporters.

Referring to the recent measures imposed by RBI, Mr. Ghosh stated that the restrictions and curbs would continue to remain for some time as the situation was "very tight and difficult." He mentioned that there was a need for credit crunch for the first six months in the current financial year and RBI has directed the banks to provide credits only for "productive purposes."

The Reserve Bank was also contemplating to introduce foreign exchange bearer bonds scheme in view of the current foreign exchange stringency. The bonds would be denominated in foreign exchange against foreign exchange inflow.

The RBI deputy governor noted that the present sickness in the banking industry was mainly due to rapid expansion of bank branches, large scale corruption and bungling of funds and injudicious lending. He also held "large scale industrial sickness" as another important factor.

Writer Calls for End to Anti-U.S. Policies

91AS0649A Calcutta ANANDA BAZAR PATRIKA
in Bengali 16 Feb p 4

[Article by Sunit Ghosh: "It Is India's Duty To Give Up Immediately Her Blind Anti-Americanism and Adopt Realistic Policies"]

[Text] This well-known story comes to mind. During the Second World War, in an imaginary battlefield, two soldiers—one Russian and the other American—were discussing freedom of expression in their own countries. The American soldier proudly declared: "Do you know, I can stand right in front of the White House in Washington and say, 'Roosevelt is an ass.' Nobody will say anything. Do you have such freedom of expression in Soviet Russia? Could you dare to say something like that?" The Russian soldier knew what would be the consequence of saying in Russia that "Stalin is an ass." So he said, "Yes, I also can stand in front of the Kremlin and declare, 'Roosevelt is an ass.'"

Taking advantage of the freedom of expression in the democratic United States, a group of leftists and "progressive" people in the so-called socialist countries of Eastern Europe and the Third World go on criticizing the United States with or without any reasons. For four decades after the Second World War the worthless rulers of socialist countries and their fellow travelers in the Third World, whenever in trouble, routinely tried to hide their failures in all fields and mislead the common people by raising the specter of U.S. imperialism. This mentality assumed such ridiculous proportions that even when American philanthropic organizations responded to calls for help and sent free food for children, leftist leaders called it American imperialist conspiracy. In the course of time, after the emergence of Gorbachev, the southerly winds of "perestroika" and "glasnost" freed the people of Eastern Europe from the unhealthy anti-American obsession and socialist China opened its doors to the United States. Yet a class of Indians wants to cling to anti-Americanism without any reasons just to show that it is red-hot progressive. The opposition to the refueling of American fighter aircrafts is a symptom of that unhealthy mentality. As the end of the Cold War has brought about fundamental changes in world politics, the bold decision to refuel U.S. fighter aircrafts was very significant for Indian foreign policy and a testimony to Chandra Shekhar's far-sightedness. Those who are trying to embarrass Shekhar by opposing this decision, instead of welcoming it, either want to remain prisoners of the past or want to continue their business of misleading people by parroting some fossilized cliches. Both these objectives are inimical to the national interest.

The leftists' situation is like that of the Russian soldier. They know it well that it is easy to demonstrate in front of a certain foreign embassy. Iraq occupied one of India's friendly countries, Kuwait, and drove away thousands of innocent Kuwaitis through barbaric atrocities. Thousands of Indians were forced to flee [Kuwait] and return home because of the Iraqi invasion. They [Indian leftists] did not demonstrate in front of the Iraqi Embassy in protest. Whatever the reason, the employees of the Iraqi Embassy, who are not used to freedom of expression, have more than once behaved barbarously with demonstrators. Maybe this is why the leftist leaders do not consider it prudent to go to the Iraqi Embassy. So they demonstrated in front of the U.S. Embassy to protest the American "aggression." That is a vain attempt to present the falsehood as truth.

The U.S.-led allied troops went to the Arab land at the invitation of the Gulf Cooperation Council. All the Gulf states, including Saudi Arabia, are members of that council. For the first time the Security Council adopted a unanimous resolution demanding that Iraq leave Kuwait by 15 January. If Iraq failed to abide by that resolution, all necessary means would be taken to liberate Kuwait. Not just that, to help implement that resolution, member states have been urged to provide appropriate assistance. According to that resolution, the allied forces attacked Iraq on 17 January to free Kuwait.

The war began in full swing. Our leftists and progressives do not understand the plain truth that Kuwait cannot be freed without invading Iraq, just as an omelet cannot be made without breaking an egg.

Gandhi is burning with the desire to become a world leader. Hence, suddenly he found fault with Shekhar's foreign policy and advised that India should stay neutral in the Gulf war. Of course Gandhi did not spell out how [India] can support the Security Council resolution and at the same time remain neutral. It cannot be spelled out, really. The self-delusion that Gandhi has prescribed for India is a kind of hypocrisy. Shekhar did not want to resort to that hypocrisy, and by providing fuel for U.S. fighter planes, he has earned the wrath of Congress I. If his fascination for power is not all that great, Shekhar should not compromise with his conscience and should remain firm in his decision. If that is not possible because of pressures from Congress I, he ought to resign honorably.

As certain U.S. quarters talk about using nuclear weapons to subdue Iraq, Gandhi has warned that if nuclear bombs are dropped on Iraq, then India will begin manufacturing nuclear weapons. There have not been any reports about President Bush shivering because of Gandhi's threat. But the remarks of Gandhi and other Indian leaders indicate that they do not have a clear idea of the shape of postwar Middle East politics and the role India should play in it. During the past four decades, India followed a policy of blindly ingratiating the Arabs for two main reasons. The first reason is oil and the second is India's Muslim vote. At that time the Soviet Union strongly supported the Indian policy because India's Middle Eastern friends were the same as Soviet friends. But in the course of time, the Soviet sphere of influence in the Middle East has shrunk. After Gorbachev's emergence and the collapse of communism in Eastern Europe, the Soviets and their client states have had a great change in outlook. They have realized the truth that the Palestinian problem cannot be solved by sidestepping Israel. It is not for nothing that the Soviet Union and East European countries are trying for the past five years to establish relations with Israel at all levels. Following the Soviet example, China too has stretched its arm of friendship toward Israel. It is an established fact today that the world's smallest democracy, Israel, is such a power that every Arab state has to take it into account. India being out of touch with reality, still hesitates to acknowledge this truth. Besides, the Arab world today is badly divided. It is not possible for any Arab country to dominate the Middle East by controlling a major share of its oil resource. Gorbachev, who is busy at home, is no longer playing a role in determining the Middle East policy. In that situation, it is clear who will play a decisive role in the Middle East politics. In order for India to benefit from the postwar reconstruction work in Iraq, Kuwait, and other affected Arab countries, India should jettison its blind policy of anti-Americanism and accept the new realities. Yet the comments of Indian leaders do not indicate they are sensitive to this new reality.

Tamil Nadu: Accelerated Oil Exploration Urged

91AS0899B Madras *THE HINDU* in English 27 Apr 91
p 8

[Article: "Cheer From the Cauvery Basin"]

[Text] Reports about the new oil strikes by the Oil and Natural Gas Commission [ONGC] in the Cauvery basin should to some extent dispel the gloom caused by the predictions of both the World Bank and the Asian Development Bank that the high costs of oil imports would continue to have a crippling impact on India. The oil flows at the Nannilam wells ranging between 500 and 700 barrels a day in the five wells so far drilled hardly merit descriptions as major discoveries since oil flows are not regarded as commercial unless they are in the region of 2000 barrels and above. Nevertheless, the recurring discoveries of oil in the Cauvery and Krishna Godavari basins in small quantities which have been reported repeatedly since mid-eighties seem to reveal that the assumptions about the commercial viability of oil strikes gained from the knowledge of major discoveries in West Asia and elsewhere characterised by as concentration of large fields need a drastic revision. The continuity maintained in these strikes of oil in small quantities suggesting that the pattern of oil traps in the two southern basins is far too different from that in the Arab oil producing countries should justify an inference that the geology of such regions still remains far from being fully understood.

If this realisation had persuaded the ONGC to focus its attention on the Cauvery and Krishna-Godavari basins during the 1980s based on its hopes that the basins are littered with a large number of small oil bearing structures, the present discoveries are perhaps bearing them out fully. It should, therefore, accelerate the pace of its exploration in both the basins and should be backed to the hilt by the Government. The case for preserving the initially projected outlays for the Eighth Plan for oil exploration at very high levels is unassailable, it is the duty of the Government, the ONGC and Oil India to see that there is no inertia in their efforts or prodigality in the utilisation of scarce resources.

Earlier reports of mismanagement and damage to reservoirs in the Bombay High to which the World Bank had drawn attention have been very disquieting. It is in the country's interest that the contents of the report of the committee set up under the chairmanship of Mr. A.B. Das Gupta to review the development and management of Bombay High reservoirs and the action taken by the Government on its recommendations are made known. There is also no justification for the persisting delay in the installation of early production systems for tapping the offshore and onshore oil discovered in the promising structures in the two southern basins. The gas finds in the two basins are, however, said to be even more promising.

The actually established geological reserves in the Cauvery and Krishna-Godavari basins amount to 150 million tonnes as against the total prognosticated reserves of 1300 million tonnes. Though these figures look very modest in comparison with the hydrocarbon reserves of the oil producing Arab countries, India has no choice but to try to put them to good use. A Soviet team has also been exploring in the Cauvery basin under the integrated intensive Exploration Project in the Ariyalur-Pondicherry depression. The promising results achieved from the work done so far call for further acceleration of the exploration programme.

IRAN

Industrial Production Increases 400 Percent

91AS0958A Tehran JOMHURI-YE ESLAMI in Persian
28 Mar 91 p 4

[Text] Dr. Nejad-Hoseinian, our nation's minister of heavy industries, announced in Arak that through the implementation of the government's economic policies, production in factories and industrial units under the mantle of the Ministry of Heavy Industries increased from 40 to 400 percent in the year 1369 [21 March 1990-20 March 1991].

The central news unit reports that he had come to this city to inspect Arak's industrial factories. Yesterday afternoon, in an interview with the correspondent from the central news unit, he added, "Likewise the volume of public investment last year aimed at expanding and starting industries in the private sector multiplied 12-fold compared to the year 1368 [21 March 1989-20 March 1990], reaching a total of 300 billion rials. This shows the good reception the people have given to this industry."

Our nation's minister of heavy industries discussed the fact that the current main problems of factories are obtaining raw materials and the shortage of currency in circulation. He explained that to alleviate the shortage of raw materials and because their direct procurement by industry entails many problems, the government is granting the necessary authorization to commercial units for the purchase and import of raw materials needed by factories and industries.

In conclusion, Dr. Nejad-Hoseinian gave a positive assessment of the status of production in the factories in Arak under the Ministry of Heavy Industries. He said, "Based on measures approved by the Supreme Economic Council, as of this year, Arak's combine-building companies and Tabriz's tractor-building companies may deliver their tractors and combines to the public using competitive foreign exchange. They will also distribute their products through the government distribution system and through the Ministry of Construction Jihad and the Ministry of Agriculture.

Factory Visits

The ISLAMIC REPUBLIC NEWS AGENCY also reports that during his trip to Arak yesterday, while visiting the factories under the mantle of the Ministry of Heavy Industries, Dr. Nejad-hoseinian got a first-hand look at the production activities of the year 1369 [21 March 1990-20 March 1991] and the plans of these factories for the year 1370 [21 March 1991-20 March 1992].

During this trip, the minister of heavy industries was accompanied by several officials from this ministry. During a meeting with the executive directors of the Machinery Manufacturing, Azarab [as printed], the Pars Rail Car Factory, Combine Manufacturing and Hepco factories, he explained the nation's new policies for heavy industries for the current year.

This report states that Engineer Ebrahimi, executive director of Arak Machinery Manufacturing presented a report on the production status of this factory. He said, "In 1369 the Arak Machinery Manufacturing plant produced 32,000 tons of various kinds of equipment needed by the nation's industries, which is an increase of about 10,000 tons over the year 1368 [21 March 1989-20 March 1990]. Last year it ended the production stagnation existing before and after the revolution."

During the visit by the minister of heavy industries to his factory, the executive director of Arak's Azarab Industries, Engineer 'Azizi announced that in the year 1369, production of Arak's Azarab Industries was 19,000 tons, and that this was more than 2,000 tons produced in the year 1368.

He said that the plan of Arak's Azarab Industries for 1370 is to produce 24,500 tons of equipment for refineries, petrochemical plants, cement factories, and power plant steam turbines. He added, "In international bidding last year, this factory was able to accept several contracts valued at a total of 250 million marks."

Dr. Nejad-hoseinian also visited various departments of the Pars Rail Car Factory. In his report, Engineer Habibi, the executive director of this factory, said that last year the Pars Rail Car Factory produced 535 six-axle rail cars and 120 four-axle rail cars, and that this represented a 24 percent increase over production in the year 1368. He also said that for the year 1370 the Pars Rail Car Factory plans to produce 262 four-axle cars and 158 six-axle cars, and that their construction will fulfill the contract to build 1,200 cars for the Mobarakeh Steel Complex and 550 cars for the Ahvaz Steel Complex.

According to this report, the Arak Combine Factory is another unit affiliated with the Ministry of Heavy Industries which was visited by Dr. Nejad-hoseinian.

During this visit, the executive director of the Arak Combine Factory announced, "In the year 1369 this factory produced more than 768 combines, with 68

percent domestic manufacture, and 252 balers. The combine production represents an increase of 118 percent over the year 1368."

He then discussed the fact that the first mower machine built at Arak Combine Factory was made in the year 1369. He added: This unit was attached to the back of a tractor for cutting grass, and will be produced in great numbers this year.

During the minister of heavy industry's visit to Arak Hepco, the executive director of the Factory announced that production from the expansion project at Arak Hepco Factory will begin during the second half of the year 1370.

He said, "The Hepco expansion project was implemented with foreign exchange capital investment of 85 million marks and 15 billion rials, and will increase Hepco's domestic production share in the building of 1,700 pieces of heavy road-building equipment from 30 to 55 percent."

He also announced that last year 634 road-building machines of various kinds, including mechanical shovels, loaders, bulldozers, and rollers were produced in the Hepco factory, and this is 158 more units than were produced in the year 1368.

He concluded by saying that in the current year more than 2,000 pieces of road-building equipment of various kinds will be produced and marketed at the Arak Hepco Factory.

Efforts To Create Kurdish 'Homeland' Viewed

*NC0905211291 Tehran ETTELA'AT in Persian
24 Apr 91 p 2*

[Ahmad 'Azizi commentary: "Britain and France and the Dream of a Native Homeland"]

[Text] The grounds for the fulfillment of the old dream of Britain and France are gradually being paved 70 years after World War I amidst the developments in northern Iraq. After World War I and the downfall of the Ottoman Empire and the division of its empire, Britain and France attempted to establish native homelands for the Kurds and Armenians. In fact, they even had Kirkuk and Mosul in mind for the Kurds. However, Ataturk rejected the 1920 agreement and the plan for setting up a Kurdish region in Ottoman territories, currently Turkish, was left in limbo. In 1925 these regions were recognized as part of the newly established nation of Iraq. Assessments by the Western press and even private remarks by Western statesmen confirm that by creating safe havens, Britain and France are establishing the first cells of a "protectorate" which will be separate from the Iraqi Government. History has shown that temporary camps can become permanent and can facilitate the fulfillment of the various stages of a "comprehensive plan." The Gaza Strip experience is a good example of this. Moreover, it is doubtful that the West, due to the presence of military

pressure against Saddam Husayn, has the Kurds and the protection of the refugees in mind by setting up safe havens.

Turkey's more active entry into the current developments—despite its initial doubts and contradictions, and the commencement of talks with Kurdish leaders—is an indication that it agrees with the West's plan. Turkey may have received the necessary guarantees to help it overcome its fears regarding a power vacuum in northern Iraq and on the birth of an independent Kurdish entity in the region. Apparently the hasty commencement of talks and the Kurdish leaders' readiness to open discussions with Saddam's regime—at a time when there is no real chance that any agreement reached can be implemented even if Saddam stays in power—are also a part of this "comprehensive plan."

Saddam has proven that he does not reject any means and methods to "remain." At the same time, however, there is no doubt that he is a "juggler." He is a politician who has always known which buttons to push, sometimes even if it is not in his best interests, to deter an opponent. Saddam is aware of America's doubts about full-fledged involvement in internal Iraqi affairs. He can therefore, despite the complete support for the West's plan, place a new and unwelcomed crisis in front of America and its allies if he sees that there is no hope of him staying in power. The United States has been very unclear, even contradictory, on what it will do if the Kurdish rebels use the safe havens to launch attacks or if the Iraqi forces mobilize in these regions to suppress the Kurds or interfere in the relief efforts. Moreover, the role of the U.S. Air Force in Iraqi skies at a time when a permanent cease-fire has been established is not clear.

In spite of the fact that three Western countries have promised to transfer the safe havens to the United Nations at a suitable time, the conditions for doing it are still vague. In addition, the separate UN agreement with Iraq is nothing but a pretext to preserve the regime's reputation on one hand and UN efforts to create an accord for international "humanitarian intervention" with UN norms on the other. In fact, the United Nations created this problem in the first place. Certainly the decision here will be to finish the initial stages of the West's comprehensive plan and, if necessary, to gain complete international legitimacy for it.

Moreover, the arrival of the United Nations on this scene not only makes the inclusion of the rest of the Iraqi regions in this plan of "humanitarian intervention" inevitable, but it will also compel this organization to be ready to face other possible problems within the framework of ethnic crises, from Tibet in China to the Soviet republics.

In conclusion, we should understand that the internationalization of crises has never helped the oppressed nations because of the role the powerful nations play in creating these crises. The United Nations has always been used to justify the efforts of the arrogant and, in

cases when there has been a comprehensive accord of views among the powerful, has ended world crises to the benefit of the powerful. Let us not forget the process of the creation of Israel, from the time when it was a British protectorate until the 1947 UN plan for its division.

Price of Many Food Items Doubled

91AS0882J London KEYHAN in Persian 25 Apr 91 p 4

[Text] The increase in the price of airline tickets and the announced price increases for many consumer goods in the country have led to a rising wave of price increases in all areas. Many experts on economic affairs have attributed the increases in prices of consumer and basic goods as well as the price of services to the Central Bank of the Islamic Republic's foreign exchange policies and the corresponding increase in the cost of dollars to obtain raw materials for these kinds of goods. On the other hand, they attributed the increase in prices for many consumer goods and services to the regime itself and also said that policies that gradually eliminated subsidies for many goods were a very important factor in price increases for many substances needed by the people.

Reports from Tehran and other municipalities state that vendors of all kinds of goods sell them at whatever price they wish without worrying about intervention by government officials on the matter of prices. In justifying the high prices they cite the Central Bank's increase in the price of the dollar, the necessity of spending foreign exchange to obtain raw materials, and the goods themselves. One report from Tehran states that during the month of Farvardin [21 March-20 April] there were major price increases for many food products, services, and consumer goods. The inflation rate has now more than doubled since the same period last year, at least with regard to some goods which are consumed daily. Around the middle of last Farvardin following the announcement of increased prices for various sausages, the price of many food items such as red meat, white meat, rice, seeds, sugar cubes and sugar also went up and public places such as grocery stores, restaurants, hotels, and comparable centers increased their prices by at least 50 percent. A merchant who is an insider in the food importing business in Iran told KEYHAN's correspondent that in the middle of the month of Esfand [20 February-20 March] the Islamic Republic's Economic Council, in addition to increasing the foreign exchange rate for the sausage industry from 41 toman to 60 toman, also raised the price of foreign exchange for importing vegetable shortening and other needed raw materials from 40 toman to 80 toman, and in this way since the end of the month of Esfand the price of vegetable shortening and all good items which use vegetable shortening in their production increased 40 to 100 percent.

Over Half of Population Resides in Cities

91AS0882I London KEYHAN in Persian 25 Apr 91 p 4

[Text] While in the year 1355 [21 March 1976-20 March 1977] about 35 percent of Iran's entire population lived in rural areas, now that figure has changed dramatically, and based on statistics published by the Islamic Republic's Plan and Budget Organization, in 1368 [21 March 1989-20 March 1990] more than 30 million of the 54.44 million people in Iran were living in the cities. Experts in the Plan and Budget Organization said that 56.7 percent of the population lived in the cities and 43.3 percent in the rural areas, and they added that in the last ten years the rate of migration to the cities has increased with unprecedented speed. An analysis of the Plan and Budget Organization's statistics shows that in the year in question about 85 percent, or 1.5 million people of the total growth in population of 1.7 million, was added to the nation's cities. In its report, the Islamic Republic's Plan and Budget Organization announced that in the year 1368 a net total of 1.672 million people was added to the population, and the population count in that year reached about 54.45 million. These experts noted that Iran's current rate of population growth is about 3.2 percent, placing Iran as having one of the highest population growth rates among the Third World nations. Based on this report, in the year 1368, despite the drop in the emigration of Afghans and those returning to Iran from Iraq, domestic migration, especially rural migration to the cities, progressed with unprecedented speed, and thus the problems in the cities increased. An analysis of population statistics for the year 1368 shows that in that year, while the average population growth in the rural areas was 1.2 percent, the same figure was more than 4.7 percent for the cities.

In a telephone interview with KEYHAN's correspondent, a Paris University professor and international expert on population affairs said that the rapid and unprecedented expansion of the urban population in Iran and the mushrooming of shanty towns and shacks on the fringes of the cities is a great danger to Iranian society and that nation's economy. He warned that this matter is not only creating insoluble problems for the economic officials, but it will mean the abandonment of many villages, the regression of agriculture, and with the drop in agricultural crops and production to feed the people, increased dependence on foreign countries. This experts, enumerating the countless problems caused by the unbridled growth in urban population, listed the problem of providing housing, health care, education, urban facilities, public transportation, work and employment, and the increase in crimes and misdemeanors, aberrant behavior, smuggling and narcotics addiction, and lack of individual and social security, and prostitution as the biggest problems caused by the rise in Iran's urban population.

Editorial on Iran's Changing Image

91AS0954B Tehran KAYHAN INTERNATIONAL
in English 30 Apr 91 p 2

[Text] The recent events in the Persian Gulf, i.e., the Iraqi invasion of Kuwait and the U.S. counter-invasion have created new political realities in the present day world in general and in the region in particular. One development which has been witnessed of late is the fact that the Islamic Republic of Iran is proving to be the most stable of all the countries in the region.

As a state having opted irrevocably for Islamic norms, democracy, the rule of law, protection and advancement of human freedoms, Islamic Iran has overcome many difficulties, all of them plots by its enemies who feared the spread of Islamic influence throughout the Middle East.

Saddam Husayn's occupation of Kuwait and his continued use of force against Iraqi dissidents cast a shadow over the Arab world and its repressive governments. Arab countries have been ruled by absolute monarchies, military dictatorships and single-party hegemonies for the past four decades. In most of these countries, only lip service is paid to democracy, while basic principles of human rights are ignored.

The National Assembly was dissolved in Bahrain in 1976, while in Kuwait, it was suspended in 1986 during the height of the Iraqi-imposed war on Iran. Saudi Arabia has laid no plans for such a body and other Arab countries have imposed or not democratically elected national assemblies.

It merits mention the sorry predicament Kuwait, Iraq and Saudi Arabia are in today. These three countries which fomented the flames of the Iran-Iraq war are facing a desperate future.

Kuwait is reduced to ruins and despite Western promises, it is estimated that reconstruction of the battered country will take twenty years and cost hundreds of billions of dollars. Meanwhile, Saddam's rout in the war over Kuwait left Iraq facing massive poverty and stripped of military might. Associated Press (AP) writes on Iraq's plight: "Neither dictatorship nor the possibility of democracy could hold on the promise of stability in such a climate of poverty and frustration."

Twelve years ago, there was an enormous mistrust towards the Tehran government. But as a result of new awareness of Iran's stability, the world community in the past few months has exhibited renewed interest, not only politically and economically, but culturally as well.

There is a growing recognition that the Islamic Republic of Iran bears a significant degree of responsibility for the preservation of peace in the Persian Gulf. Even the United States is grudgingly moving towards appeasement of Tehran, while London and Paris have gradually shifted their diplomatic prerogatives to match Iran's conditions for normal ties with the world states.

Today, throughout the world, there is a desire to understand Islam, its traditions, and principles because of the success of the Islamic Revolution in Iran. It must be understood, however, that because Iran is a Muslim country, that it must be allowed to grow and flourish both as a nation and as a state. It must be remembered that the Islamic Republic choose to sever ties with the West because of the latter's efforts to change Iran's Islamic way of life.

Iran represents to many countries a remarkable new phenomena. The vital point is that the Islamic Republic has become the only island of tranquility in a sea of turmoil.

PAKISTAN

Prime Minister Sharif Praised on Reforms

91AS0716A Peshawar MASHRIQ in Urdu 12 Feb 91 p 3

[Editorial: "Steps Towards Strengthening Democracy"]

[Text] In a speech at the Lahore Press Club's "Meet the Press" program, Mr. Ajmal Khatak, president of the Awami National Party, stated that Prime Minister Nawaz Sharif has taken several steps to strengthen democracy in the country. He said that the federal government also took steps towards resolving the issue of provincial autonomy. He also welcomed the decision of not relying on foreign aid.

Undoubtedly, Prime Minister Nawaz Sharif has been nourishing the young plant of democracy. There is new hope that frequent dismissals of democracy will come to an end. It is sad that the responsible ones for the losses suffered by democracy were the politicians. Because, after coming to power, they neither showed any democratic inclinations nor tolerated any opposition. So much so that any opposition to the Prime Minister or the government was considered opposition to the country. This story was repeated in 1972, when Zulfiqar Ali Bhutto came to power as the champion of democracy. But, he preferred to become a civilian marshal-law administrator. After becoming the prime minister, he started harassing his opponents through different tactics. Some politicians were murdered. The opposition leaders were thrown out of the National Assembly by the FSF [Federal Security Force]. After the start of the movement opposing corruption in the elections, killings took place. Afterwards, democracy disappeared. Recently, when the People's Party came to power through elections, the ex-Prime Minister Benazir Bhutto displayed nondemocratic tendencies and the old play was replayed. Instead of strengthening democracy's young plant, it was weakened through the use of tactics, such as the discrediting of opposition, conflict between the center and the provinces, and killings in Sind.

A major reason behind the Islamic Democratic Alliance's overwhelming victory during the new elections

was that they wanted to bring forward those people who would strengthen democracy. It is encouraging to note that Prime Minister Nawaz Sharif tried to resolve the issue of provincial autonomy because it had not been resolved by the champions of self-determination who took away the autonomy which the provinces enjoyed. Prime Minister Nawaz Sharif called the session of the Council of Common Interests and decided on principle to give oil and gas royalties to the provinces. In addition, steps were taken to resolve the old issue of water distribution. Hence, the provinces felt that they were an important part of the center and their rights will not be taken away by the center. Rather, those rights that had been denied to them thus far, would be extended to them now. Furthermore, the press, the fourth pillar of democracy, is free under this administration. Another show of the democratic strength came to light during recent demonstrations and protests. Political parties openly demonstrated against government policies during the Gulf war. But, the government did not even place a small restriction on them. Rather, these demonstrations were welcomed. In parliament, open debates are being held on government policies and each party is working freely. The prime minister and his associates have democratic inclinations and respect other people's opinions. Thus, an overall democratic atmosphere has been established in the country. This is quite encouraging for the future of the country.

U.S. Said Forcing Adoption of Nuclear Option

91AS0600D Karachi NAWA-I-WAQT in Urdu 1 Feb 91 p 5

[Editorial: Why Does United States Oppose Pakistan's Nuclear Program?"]

[Text] Mt. Munir Ahmed Khan, chairman of Pakistan Atomic Energy Commission, said in a press briefing that the United States can stop aid to Pakistan under the Pressler Amendment only if the presence of an atomic bomb in Pakistan is proved. The fact is that Pakistan has not blasted any atomic bomb yet and the United States just cannot stop aid to us because of this amendment. However, since the U.S. President did not vouch for Pakistan not having nuclear capability, this aid will stop automatically next year. Now, after four months, the United States has decided to reduce aid to Pakistan by two-third and has announced to reinstate the remaining one-third aid. This means that the United States wanted to stop, reduce, or cut aid to Pakistan for some other reason and all this had nothing to do with the Pressler Amendment. One of the reasons is the fact that Pakistan is not that important to the United States after the Soviet defeat in Afghanistan. The second reason could be that the cold war between the superpowers does not exist now. The United States is free to do whatever it wants now that the Soviet Union is very weak. It is possible that the United States is testing the newly elected Government of Pakistan by pressuring it. This government has used slogans against the United States in its election campaign. These three reasons appear to be meaningless

at this time since the United States is not opposed to the nuclear programs in Israel, India, and other non-Muslim countries. Israel tops the list of the nations receiving U.S. aid, however, the United States never puts any restrictions on it. All this proves that the United States just cannot bear any Arab or Islamic country to develop nuclear capability. That was why Israel was ordered to destroy the Iraqi nuclear program. The United States used its own forces to make Libya stop raising slogans. Now, after taking care of all this, the United States is forcing itself on Pakistan's nuclear program. The United States is increasing the number of its enemies because of this attitude. The Muslim world is especially screaming anti-U.S. slogans. Islamic countries are finding it difficult to cooperate with the United States and are going through a testing time. They look at the history of the U.S. anti-Islamic attitude and also look at the problem of Kuwait's independence and freedom. This is a difficult dilemma. The United States should understand this situation and change its policy. What is worse is that the United States is not only upset at the nuclear programs in Islamic countries, but also is opposed to Islamic fundamentalism. In its dictionary the word fundamentalism is synonym of curse. The fact is that no Muslim can be a true Muslim unless he believes in fundamental Islamic principles. The United States and Europe claim to be antireligious [secular], however, they have Christian missionary school in every country including Pakistan. The first question any VIP visiting from these countries asks is if there is a church open on Sundays. Similarly, while rooms in their hotels are furnished with refrigerators full of alcoholic drinks, they also have the Bible placed in the drawer next to the bed. It is surprising that the devoted fundamentalist and very religious Europe and the United States are opposed to Islamic world's religiousness and fundamentalism. This double standard cannot only make the Islamic world unite against the United States, but also can divide the world into an Islamic camp and another camp composed of Jews, Hindus, and Christians. This could start another campaign between the Cross and the Islamic laws. The United States would be fully responsible for it because of its habit of starting campaigns against Pakistan and Arab countries. The United States has never missed an opportunity to hurt Pakistan while wearing the mask of friendship. Now, our nuclear program is being kicked around even when Pakistan has assured that this program is peaceful. We have to meet the demands of our energy crisis. The whole world is benefitting from this technology in the areas of health and agriculture. Pakistan's neighbor, India, has already blasted an atomic bomb. It has three times as many resources as we have. We cannot compete with it in the areas of traditional army or ammunition. To top this all, it has atomic bombs in its arsenal. Pakistan has to meet its defense needs. Pakistan will be forced to pick the nuclear option if the United States continues to press it. We believe that Pakistan should not delay anymore. The moral from the Gulf crisis also encourages us to take this option.

U.S. Demands on Nuclear Program Seen Unacceptable

91AS0761C Lahore NAWA-I-WAQT in Urdu 6 Mar 91 p 3

[Editorial: "U.S. Restrictions on the Nuclear Program"]

[Text] According to a report published in the KHALIJ TIMES, the United States wants to impose still more restrictions on Pakistan's nuclear program. The KHALIJ TIMES has published this information referring to a senior Pakistani diplomat in Washington. As for Pakistan's nuclear program, the government has repeatedly declared that it neither has any nuclear weapons nor is it trying to acquire any. Our nuclear scientists have succeeded in enriching uranium, however, this does not mean that we have made atomic bombs. The U.S. Government appears to be influenced by the baseless propaganda carried out by pro-India lobbies in Western Europe and in the United States. It used this nuclear program as an excuse to stop economic aid to us. The plans to acquire nuclear power to meet our energy needs have been sacrificed to these nations' discriminatory attitude. While this situation is unfortunate, it also calls for our government to have open and immediate talks with the United States and West European countries. The United States has never imposed any restrictions on other countries that have nuclear capabilities. These include India (which exploded an atomic bomb in 1979), Israel, and South Africa. Our government should have had open talks last September when President George Bush refused to issue the authorization to certify that Pakistan does not have nuclear weapons. The propaganda carried out against us in the present situation does not only saddens a patriot but also makes him feel helpless. How long will we continue to admit to baseless accusations levied against us and bow down to unrealistic demands made by the United States and anti-Pakistan lobbies? As for safeguards, we have offered that India and Pakistan open their nuclear installations for mutual inspections. We also have suggested that we will sign the international treaty on nonproliferation of nuclear weapons if India is willing to do so. India is not willing even [to sign] a regional agreement on nuclear issues. The U.S. Government, which always touts the idea of balance of power in this region, should keep all this in mind. The Pakistani diplomat also said in that report that Pakistan will not accept unreasonable demands made by the United States. This is a matter of principle and the issue of Pakistani nuclear program should be settled on its own merit.

Report Claims Indian Intelligence Agents Killed

91AS0771A Karachi JANG in Urdu 17 Mar 91 p 12

[Article: "Kashmir Freedom Fighters Reportedly Kill Nine RA Agents"]

[Text] Bagh (JANG Correspondent)—According to the latest information received from occupied Kashmir, freedom fighters have killed nine agents of the Indian

intelligence agency RA. According to this report, these agents were traveling in a wagon in disguise. The freedom fighters confiscated some important documents and a video camera mounted on the wagon. Major Sharma, a RA officer, was one of the arrested. According to the report, the freedom fighters attacked a military camp at Lodra in Shivpur area and killed 19 Indian soldiers. The freedom fighters disguised themselves in Indian uniforms and attacked another military camp and killed more Indian soldiers. The soldiers of the Freedom Army have admitted to killing RA agents.

China's Help in Nuclear Development Praised

91AS0761D Lahore NAWA-I-WAQT in Urdu 2 Mar 91 p 10

[Editorial: "Acquisition of Chinese Power Plant"]

[Text] After the negotiations between Pakistan's Prime Minister Nawaz Sharif and the Chinese Prime Minister Li Peng in Beijing, it was announced that China will supply an atomic power reactor to Pakistan. The agreement to supply this plant will be signed this year after financial and technical details are settled. China had assured us of providing a nuclear reactor during the Junejo and Benazir governments and now again during the Sharif government. This development is encouraging to us since China has admitted that it is not ready to accept the pressure that the United States and other Western nations have been putting on it about not supplying a nuclear reactor to Pakistan. France had broken its promise after signing the agreement to supply Pakistan with a reprocessing plant. China has demonstrated its unfailing friendship with Pakistan by keeping its promise. It is realistic to expect that this plant will be provided soon. Our government has repeatedly announced that its nuclear program is for peaceful purposes and that the establishment of nuclear power plants is crucial for our economy and energy shortage. Unfortunately, the Western world views our program with a jaundiced eye and we are being treated unfairly. Keeping in mind how China helped us in our development plans, we should be optimistic about acquiring this power plant. Our energy needs cannot be met by our only nuclear power plant, KANUUP. We will be able to meet our needs in a very crucial area with the help of China. China has shown that it is a true friend by ignoring the anti-Pakistani propaganda. We cannot praise it enough.

Security Arrangements With Iran Urged

91AS0760B Karachi JANG in Urdu 2 Mar 91 p 3

[Editorial: "Need for Regional Defense"]

[Text] Hojjat ol-Eslam Mehdi [Karrubi], speaker of the Iranian Majlis, said in a statement to the nation that the United States had attacked Iraq using the freedom of Kuwait as an excuse. He added that Iraq's geographic position should not change as the result of this war. In very strong words he announced that no country has the

right to come here and make decisions about the future of Islamic countries. In this context he emphasized the need to increase cooperation between Pakistan and Iran and said that there was a great need for the defense of this region. There is no doubt about the importance of Iran's role after the flames of war spread in the Gulf. General Baig already made this observation while speaking on the effects of the Gulf war. Iran has already taken steps to strengthen the foundation of Pakistan-Iran collaboration by investing \$50 million in revolving funds in various Pakistani banks. Prime Minister Nawaz Sharif had also supported Iran's stand on the Gulf and had supported a peaceful resolution of the conflict.

Meanwhile India is as usual conspiring to sabotage these new efforts for regional security. The proposal made by India's former prime minister, Rajiv Gandhi, in Moscow about cooperation between the Soviet Union, Iran, and India for the defense of this region leaves Pakistan out. Even Iran has given uncharacteristic importance to Pakistan. Pakistan deserves this importance being the nearest neighbor of Iran and its Islamic relationship [with Iran]. The Government of Pakistan should cooperate with Iran in implementing this plan for the security of this region and also should keep an eye on the Indian conspiracy against Pakistan.

Smuggling of Arms into Sindh Viewed

91AS0771C Karachi JANG in Urdu 16 Mar 91 p 3

[Article: "Arms Reportedly Smuggled into Sindh"]

[Text] The secretary for internal affairs to Sindh's chief minister announced that the Sindh government has learned from reliable sources that huge quantities of arms are being smuggled into Sindh. The law enforcement agencies have been alerted to effectively control this situation.

Sindh has been a victim of violence and illegal activities for a long time. Some people have been using this situation for their political interests and this has aggravated this situation even more. We are thankful that the present government's efforts have resulted in restoring peace in the state. Criminals are being arrested and given exemplary punishments. However, it is imperative that this situation be monitored very carefully so that instigators do not get the opportunity to "play their games." Some groups are continuously conspiring against the present democratic experiment in the country and are spreading rumors to create an atmosphere of distrust. It is apparent that they are conspiring to push Sindh back into the fire of terrorism to achieve their goals. It is obvious that these weapons in large scale are being brought in for these instigators since common citizens would not use them. The state administration has alerted all law enforcement agencies to deal with this situation diligently. This is a good step; however, this is only a temporary solution. It would be better if long-range plans are made to eradicate these gangs for whom these weapons are being smuggled in. The routes used for

bringing these weapons should be closed and the subversive elements given harsh punishment to discourage them. We should also tell our political parties to limit their activities to political action only. The people expect the ruling and the opposition parties to practice responsible politics. We are hopeful that the government and the opposition will help each other to improve the peace situation.

Political, Economic Interests Delaying Sindh Census

91AS0920B Lahore VIEWPOINT in English 25 Apr 91 pp 11-12

[Text] Karachi—The population census 1991 whose preparation had started some two years ago should have been completed last month. Instead, it was indefinitely postponed after only the first phase of house enumeration had been completed and its results had become unofficially known and a fortnight before the second phase—that of the head count—was to start.

The pretext for postponement was that the amendment effected in the Census Act through an Ordinance could not be passed by the National Assembly in time and consequently it had lapsed. Had the situation not been politically explosive in Sindh, the passage of the amendment in time would not have presented any difficulty.

The situation that emerged following the house enumeration aggravated the politically-explosive polarisation in Sindh and the Federal Government needed time for rethinking. The amendment has now been approved by Parliament, but the Government has not yet decided when to launch the second and final phase of the census and whether to keep or scrap the first phase. Indications were made available that it might commence in autumn, but later it was reported that since local body elections would be held on schedule in autumn, two major country-wide operations could not be handled by the administration simultaneously. Now it seems difficult that the census would be held before next March.

Second Time

Since the British started the population count, this is the second time in ten years that the exercise has not been conducted on schedule; the first delay occurred during the traumatic year 1971 when the census was postponed for a year.

The real reason for postponement of the census is to be found in the rival claims of the Sindhis and the Mohajirs and the extreme ethnic polarisation in the province. Much before the census work had actually started, the Mohajirs had claimed that they constituted 60 percent of the province's population. They blamed the first PPP [Pakistan People's Party] Government for deliberate under-registration of the Karachi population in 1972. But no one ventured to explain why the result of the 1981 census was not different from the previous one: in 1981, a government was in power that was definitely

hostile to the Sindhis, who were waging a struggle against the military dictatorship of the day, while the Mohajirs remained studiously isolated from it.

The claims and counterclaims of the two ethnic groups are based on the following arguments:

The Mohajirs argue that their number was deliberately depressed and their localities in urban areas were left out of the enumeration. And this process, they say, has continued since 1961.

Sindh View

The Sindhis argue that their population was scattered over wide, sparsely populated areas and since 1951 their population in large regions had not been accurately recorded in the four previous censuses. Many rural areas were not counted. Not only that: the entire women's population had also been left out due to ignorance or conservatism. And since the Sindhis were over 90 percent in the 1951 census, they never bothered to make special efforts for registration of the entire population. It was only since 1972 when the PPP first came to power and the Mohajirs set themselves up as its rivals and began to claim that their population matched that of the original Sindhis, that the people of the interior bestirred themselves and motivated all sections of the population to get themselves registered.

In addition, the Sindhis argue that in Karachi over two million people are illegal immigrants and they should be registered as aliens and not as Pakistani citizens entitled to vote. A recent study on the migratory behaviour of Karachi people conducted on behalf of the Karachi Development Authority confirms that over 1.5 million aliens are living in Karachi.

During the house-listing operation, houses were counted and the initial number of members of every family enlisted. Unofficial census estimates put Sindh's population at over 51 million. The population of Karachi is estimated at 10.33 million.

According to the initial count, the population of other districts is as follows: Jacobabad 3.9 million; Sukkur 4.0m; Shikarpur 2.3m; Larkana 4.6m; Nawabshah 2.4m; Dadu 3.9m; Hyderabad 4.8m; Badin 1.3m; Sanghar 3.8m; Tharparkar 4.4m; Thatta 2.3m; and Naushero 3.8m.

According to this data, the rural population figure stood at 40.7 million or 77.96 percent of the total population and the urban population at 15 million or 22 percent. According to the 1982 census, the ratio of rural to urban population was 60:40.

Two-fold

The importance of the census figures is two-fold. The taxes collected by the Federation are distributed among the provinces on the basis of population. If the next census confirms the figures of the house-listing operation, the share of the Punjab would be reduced and that

of Sindh would be substantially increased. Similarly, representation in the National Assembly will also undergo a proportionate change. Within the province, the representation of the Mohajirs, which is about 30 percent at the moment, would be reduced to about 20 percent. The Mohajirs represented by the MQM [Muhajir Qaumi Movement] are not prepared to accept this situation. They say they constitute a majority. Islamabad, which was shocked over the house listing results for their adverse effect on the Punjab's position in the Federation, seems to tilt towards the MQM stand.

The Government of Jam Sadiq Ali is already unhappy over the postponement of the census without ever having been consulted on the subject. It argued that the census process had been conducted by Federal Government departments and under the supervision of officials who did not belong to rural Sindh. Under these circumstances, it was not possible for the provincial Government to influence the results.

Islamabad is now in a real dilemma. Confirmation of the house listing results is unpalatable to the Federal Government and urban Sindh. Any drastic downward revision of these results as a consequence of the population census would not be acceptable to rural Sindh which has already been accusing Islamabad of conspiring with the Mohajirs to turn the Sindhis into a minority in their own province.

It is reported that Islamabad is considering making it obligatory on the head of each household to affix his signature or thumb impression on the census form, which would be counter-signed by the enumerator. A column may also be added in the form to record the ID card number, and non-locals may be employed for checking and rechecking in suspected areas.

Whatever measures are taken by Islamabad, the results will remain controversial because political and economic interests have become mixed up with an otherwise straightforward operation.

Law and Order

The hollowness of the claims of everyone from President Ghulam Ishaq Khan down to Jam Sadiq and the President's son-in-law, Irfanullah Marwat, about an improvement in the law-and-order situation in Sindh, has been exposed by the kidnapping of the Japanese students and the murder of a Swedish engineer.

The Japanese team of over 40 journalists and TV crew which came to Pakistan to cover the kidnapping sent minute-to-minute accounts, despite restrictions on their movements and access to news sources, of the Government's failure to recover the kidnapped. Having been disappointed by the treatment the Government meted out to them, most of the Japanese Journalists have now gone back.

There is a scare among foreigners working in Sindh, and many are reported to have left the country: those staying back are reluctant to work in the interior.

Mr. Irfanullah Marwat, who is in-charge of law and order, has been mostly preoccupied with hounding PPP leaders and activists to achieve the objective of destroying Benazir Bhutto and her party. For six months, he has been proclaiming that "criminals," however powerful and high they might be, will not be spared, but during this period criminals have been free to commit murders and dacoities and the politically aware citizens have been running for their lives.

The story of the Japanese kidnapping has revealed that the Jam Government and Mr. Irfanullah Marwat did not even bother to find out how the kidnapping might have taken place. The non-registration of FIRs [First Information Report] under the Government's instructions has kept the political bosses in Islamabad and Sindh in blissful ignorance. The Jam was much discomfited when the release of the Japanese students' guide, Ghulam Mohammad Khan, brought the news, splashed throughout the world, that the dacoit gang concerned was holding not only the two Japanese but eight Pakistanis as well about whom the Government had never said a word. This shows the concern this Sindh Government feels for its citizens.

The kidnapping of the Japanese and the murder of the Swede will aggravate the economic problems of Sindh. External aid for provincial projects may not be forthcoming, and work may have to be discontinued on projects already under implementation. The energy sector may be the worst to suffer since the extensive exploration of oil and gas in Sindh may come to a halt.

In the social sectors, education is the worst sufferer as teachers and parents stay away from schools for fear of kidnapping. The prospects for the Indus Highway have also become bleak.

Recent Press reports state that 100 gangs of 1,000 dacoits (according to another report, 17,600 dacoits) are operating on both banks of the Indus in Sindh. At present, 200 persons are being held by these gangs for ransom. During the last six years, about 1,000 persons have reportedly been killed for being unable to pay ransom. The reports suggest that the ranks of the dacoits, instead of dwindling, are swelling.

MQM Internal Squabbles Viewed

91AS0761B Karachi AMN in Urdu 9 Mar 91 p 2

[Editorial: "Timely Actions of MQM Leadership"]

[Text] Azim Ahmed Taraq, the chairman of the Muhajir Qaumi Movement (MQM), announced the decisions made in a recent central committee meeting of the party and said that they have expelled several members including Badar Iqbal, Afaq Ahmed, and Aamar for wrong actions, graft, and for trying to harm the party by

conspiring with terrorist elements. He blamed the conspiracies by these people as the main reason for the party leader Iltaf Hussein's illness. He appealed to the people to remain united and not to be misled by these miscreants. He also warned all conspirators that they will be expelled from the party.

The detailed statement of the MQM chairman has put an end to all those rumors rampant for the past few days about the internal strife and squabbles within the party. It also clarified some misconceptions. There is no room left for rumors about the strife within the MQM.

The decision to expel some important leaders for treachery and actions against the party was appropriate, just, and timely. All political parties face such a situation when they grow. The decisions of the leaders during such occasions make the success or failure of a movement. We are familiar with the example of Tehriq-i Pakistan. When this party was at its apex all its friends and foes considered Quaid-i Azam the leader of the Muslims. Some of Quaid-i Azam's associates did not agree with his decisions and tried to go their own way. However, this did not affect the Tehriq-i Pakistan or the Muslim unity. In this context, disagreement of some important position holders in the MQM with the leadership and the breaking of some party rules is not a simple thing. It will give the party leadership an opportunity to improve the administration of the party, learn about their own mistakes committed knowingly or unknowingly, and get a feel on the pulse of the people. They will be able to organize the MQM much better in light of their findings. The MQM members will be able to move the party to new dimensions following the ideas and desires of their leaders. However, the times dictate that the MQM leadership demonstrate more patience and make decisions after serious considerations.

The MQM leadership has very carefully studied major movements in the world, struggles of the persecuted, and the history of great political parties. They know well that when people are expelled from a movement or a party they start talking against the leadership to prove that they were innocent and right. They use various tactics to organize the opponents of the party against it. It is obvious that those expelled from the MQM will follow this path. It is important to bear such efforts with a cool head and the party members must not take the law in their own hands if they become angry at the dissidents' actions. Violence in such situations breeds more violence and terrorism, and the party will face difficulties in establishing peace and order.

We would also like to tell the MQM leadership that they should be more democratic so as to make their party more effective and active. Party leaders and other members should have the opportunity to express their views openly on any issue. All issues should be resolved effectively and minor squabbles and disagreement should be resolved in a timely manner. It is a welcome development to have party leaders who have begun to recognize the need for cleaning up the party. It would not be wrong

to assume that after this purge this party will become more effective and successful.

Ulema Reject New Shari'ah Bill

91AS0920E Lahore VIEWPOINT in English 25 Apr 91 p 24

[Text] An eight-party forum of ulema on Monday reiterated its rejection of the new Shariah Bill as a "lifeless and spiritless" piece of legislation introduced in the National Assembly.

The forum, at a meeting under the chairmanship of Maulana Abdus Sattar Khan Niazi, compared the new Bill with the one passed by the Senate and held that the new Bill would hardly be helpful in the enforcement of the Shariah.

According to Maulana Niazi, the participants were of the view that under the new Bill the 'decision of the masses,' and not Islam, would be final.

The extension in the exclusion of fiscal, procedural and personal laws from the purview of the Federal Shariat Court was also criticised. It was held that the courts should be empowered to examine the vires of any law.

Support for 'Pukhtoonistan' Proposal Decried

91AS0771E Peshawar MASHRIQ in Urdu 23 Feb 91 p 8

[Article by Jamaluddin: "Seeds of Statehood Should Not Be Sowed"]

[Text] Many articles, news reports, and statements are issued in support and in opposition of Pukhtoonistan in the daily MASHRIQ. A resolution to change the name of Sarhad to Pushtoonkhawah was defeated by a large majority in the Sarhad Assembly. Only 28 votes were cast in support of the resolution, with 48 votes opposing. Previously, an Awami National Party (ANP) legislator had introduced a resolution in the Sarhad Assembly. This resolution stated that the name Sarhad [border] was given by the British Government, and this name does not identify with the Pukhtoon people. Therefore, this name should be changed to Pushtoonkhawah (Pukhtoonistan). The fact is that the people who want to change the name to Pukhtoonistan are so impressed with the word Pukhtoon that they cannot bear any argument opposing it. The supporters of Pukhtoonistan declare that since the Pukhtoons live here, the name of the state should be Pukhtoonistan. In other words, Punjabi people have Punjab, and Sindhi people have Sindh. If we look at it closely, we will find that this is a ridiculous argument. One is amazed at this argument. If it was true, then for the Punjabis, we should have Punjabistan; for the Sindhis, we should have Sindhistan. Punjab is not called Punjab because only Punjabis live there. It is called Punjab because it is the land of five rivers. The same is true for Sindh. Punjab, Sindh, and Baluchistan are not populated by Punjabis, Sindhis, and Baluchis alone.

Punjabi, Sindhi, and Baluchi languages are not the only ones spoken there. One culture does not dominate in a specific state. Even if we change the name of the state to Pukhtoonistan, the state will not represent various ethnicities living there.

The issue today is not what the name should be, but rather how to solve the serious problems the people are facing there. Hundreds of thousands of people are unemployed. Children of big landlords and businessmen become government officials with the help of graft. Meanwhile, the children of the poor are kicked around from door to door. Thousands of people do not get enough food for one meal. There is the darkness of poverty on one side, and the glories of wealth on the other side. The poor polish shoes all the time and stay hungry, and the rich cruise around in their jeeps. The poor live in broken-down shacks, while the rich lounge in their huge mansions in the lap of luxury.

Why is this? Why this stark contrast? The most important problem at present is to keep the nation united and help our poor live with dignity. Inflation has risen to the limit, and the government has added five percent fuel adjustment charges to our electricity bills. The people had expected the ANP to do something about it. It has promised 100 units of electricity free, as well as remission of the fuel surcharge. It is a fact that the electricity is produced from water in this state. Therefore, we request the state government not to apply this surcharge to the people of Sarhad.

The people who start such issues as Pukhtoonistan should think seriously. Should we pay attention to the problems people are facing, or should we argue over a name for the state? It is important to have a name for Sarhad which portrays the culture of these people, however, before that we must awaken their sleeping conscience. Another unfortunate fact is that Pushtu-speaking people are divided into two groups. One group calls this state a "country." The other group calls it a "neighbor." The "country" persecutes the "neighbor" and calls them dirty names for no reason.

The people who are talking about Pukhtoonistan should raise their voice against persecution if they are proud and brave people. They should eradicate the wide gaps between groups of Pukhtoon people. Until and unless it is done, nothing will happen by simply changing the name of the state. I want to tell the people with vested interests that they should refrain from sowing the seed of statehood in the minds of the people here. We like to live as Pakistanis rather than as Punjabis, Sindhis, Pukhtoons, Muhajirs, or Baluchis.

Separatist Movement Said Seeking India's Help

91AS0761A Karachi JASARAT in Urdu 6 Mar 91 p 5

[Editorial: "Must Watch Traitors"]

[Text] Mr. Qamar Bhatti, a Jiye Sindh Movement leader, has spewed poison during a press conference in the

Indian city of Bhopal. He announced that the Jiye Sindh Movement was trying to obtain India's help to establish a free Sindhu Desh and that he would soon be successful in convincing the Indian leaders that the people of Sindh cannot remain in Pakistan and want independence. Qamar Bhatti's press conference was full of such depraved talk. He is known to issue such statements in Pakistan also. In addition to Qamar Bhatti, G.M. Said, the leader and the life and soul of the Jiye Sindh has also admitted that he had also requested India to help free Sindhu Desh. It is true that Pakistan cannot be hurt by idle talks of such impudent people as G.M. Said and Qamar Bhatti. However, such actions are considered treason and they should be punished for it. The government should document all actions of Qamar Bhatti and file a case against him. It is not appropriate to give such freedom to such a troublemaker. He has destroyed peace in Sindh and made the life of innocent Sindhis miserable by his terrorist activities.

Text of National Finance Commission Award Presented

91AS09201 Lahore VIEWPOINT in English 25 Apr 91
p 32

[Text] The following is the text of the recommendations of the National Finance Commission:

After careful consideration of all the issues and their implications, the Commission makes the following recommendations:

i) The divisible pool, which originally consisted of the first three items only, is now enlarged to add two additional items. It would now have the following composition:

- a) Income and Corporate tax,
- b) Sales tax,
- c) Export duty on cotton,
- d) Excise duty on tobacco and tobacco manufacturers,
- e) Excise duty on sugar.

ii) The divisible pool be distributed between the Federation and provinces in the ratio of 20:80.

iii) Pending the adoption of the next National Census Report, the Provincial shares be distributed between provinces on the basis of their respective populations according to the 1981 Census. The ratios finally adopted after the 1981 Census would be:

Punjab	57.88%
Sindh	23.28%
NWFP*	13.54%
Balochistan	5.30%

* North-West Frontier Province

The shares would be worked out again when new ratios are finally adopted after the next Census.

iv) A special annual grant of Rs.[rupees]700 million shall be given to Sindh during the currency of present award for five years starting from July 1, 1991.

v) A special annual grant of Rs. 1,000 million shall be given to the Punjab for three years from July 1, 1991.

vi) The net profits on account of generation of Hydel power stations located in the Provinces shall be paid to the provinces in accordance with the decision of Council of Common Interests made on Jan 12, 1991 under Article 161(2) of the Constitution. The Federal Government shall guarantee payment of net profits to provinces by the concerned agencies each financial year so that their ways and means position is not adversely affected.

vii) From July 1, 1991, the net proceeds of development surcharge on natural gas would be transferred to the provinces and shall be distributed on production basis at well-heads after deducting the collection charges of 2 percent. The net proceeds would be determined by the Ministry of Petroleum & Natural Resources, in accordance with the past practices and criteria after taking into account any international agreement entered into by the Government.

viii) The royalty and excise duty on natural gas be continued to be paid to provinces under Article 161(1) of the Constitution.

ix) The net amount of royalty from crude oil be paid to the provinces according to production in each Province.

x) The present practice of meeting budgetary deficits and picking up surpluses of the provinces would be discontinued. The provinces would take care of their current expenditure and debt services.

xi) The subventions would be paid to NWFP and Balochistan from July 1, 1991, for three years at the rate of Rs. 200 and Rs. 100 million respectively.

xii) In case of temporary imbalance, the Federal Government may permit the provinces to float market loans after due scrutiny or obtain ways and means advances from the State Bank. The limit of ways and means advance would be revised in consultation with the concerned provinces.

xiii) From July 1, 1991, any revenue surplus generated by the provinces or available due to the pool distribution and direct transfers would be utilized towards financing development programmes without affecting their normal share in the public sector development programme.

xiv) Grants for strategic roads and agency functions may continue as at present.

xv) A specific activity undertaken on the directives of President/Prime Minister may be specially funded by the Federal Government, unless mutually agreed otherwise.

xvi) The Federation may assist the provinces through specific grant in times of unforeseen calamities and other needs.

xvii) As a part of future reforms net sales tax on domestic consumption should be collected by the provinces. The collection of net sales tax at retail level should be entrusted to the provinces after arrangements for collecting this tax at the consumer level have been put into place.

Besides the above award, the Commission has agreed to make the following recommendations in order to improve the overall financial position of the Federal and provincial governments:

i) The present financial position of the Federal Government and Provincial governments underlines the need for maximum economy in non-development expenditure. It would be desirable that these governments curtail their expenditures, wastage is avoided and unnecessary administrative structures are not created.

ii) The Federal and Provincial Governments should streamline their system in order to reduce leakage and increase their tax revenue. The Tax Reforms Committee, set up by the Federal Government in December 1990, has made some useful recommendations for increasing Provincial revenues. The Provincial governments may consider these recommendations and set up their own committees for reforms and resources mobilisation.

iii) Federal Government should carry out an in-depth exercise to decide which particular programmes and activities performed by Federal Government can be transferred to the Provinces.

iv) In future, the ratio between excise duty and development surcharge on gas should be substantially improved in favour of Excise duty.

Proper Use of Public Funds Urged

91AS0920A Lahore *VIEWPOINT* in English 25 Apr 91 pp 5-6

[Text] Announcing the National Finance Commission's Award for the allocation of revenue resources between the Centre and the four provinces, the Prime Minister spoke with gratification and pride in his Government's performance that are easy to appreciate. The fiscal agreement was lauded by President Ishaq and approved by the four Chief Ministers. The hailers have welcomed the accord as one more historic accomplishment of the IJI [Islamic Jamhoori Ittehad] regime; and, certainly, kudos cannot be denied to the Government for speedily resolving problems that in the past have led to great delay and much public wrangling. On this occasion, any bickering over provincial shares was presumably overcome in private bargaining, since the provincial representatives seem to be well satisfied with the results. As with the formula devised for apportionment of river waters, second thoughts may give rise to criticism and

expose some dissatisfaction among the smaller provinces, where it is felt that they should be compensated for past neglect and be given a bigger share of the cake. However, necessary adjustments can always be made.

The fiscal arrangement, in line with established practice, rests on the population of each province—at present according to the outdated 1981 Census, which is said to favour the Punjab. Then, the divisible fund has been augmented, and the share-out of resources has been changed to favour the federating units with a new ratio of 20:80. Greater responsibility will now devolve on the provinces for development and other expenditures for which they were hitherto largely dependent on federal loans. While this will introduce greater provincial autonomy, the utility of the new system will largely be determined by the measure of wisdom with which provincial governments devise and implement their plans and can build the infrastructure required for industrial and agricultural growth. A danger that comes to mind immediately is that if the inflated provincial Ministries remain under growing pressure from the legislators, petty political considerations will continue to guide their planning demands. Thus, favours will be done to individuals, inevitably to the detriment of the national economy. To take one small example, the promise made that each Member of Parliament will be able to designate three villages for electrification on a priority basis means that the rural electrification programme will be disrupted by the whims and wishes of important persons. This trend needs to be resisted; the ruling party's leaders must restrain their legislators and stop them from extending their activities from the legislative to the administrative field by demanding the right to make appointments or secure the transfers of officials. The IJI leadership should be able to muster the courage and confidence required to deny its legislators' improper demands because it enjoys substantial majorities at the Centre and in all provinces.

The Prime Minister cannot, however, be congratulated on his approach to certain political matters on which he commented during his recent Press conference. For example, he said that the IJI did not intend to give priority to repeal of the Eight Constitutional Amendment. This means that the gross distortion of the unanimously-adopted 1973 Constitution will not be remedied, and the President's right to dismiss an elected government—or threaten to do so—will allow him to retain powers that devalue democracy. Mian Nawaz Sharif also made it plain that there was no possibility of change in his policy of buttressing the status quo in Sindh, although most people believe that the arrangement in Sindh is neither stable nor democratic. Apart from the coalition's dubious origins, the manner of its functioning and its failure to establish law and order cry out for change—either in its policies or in its personnel. And, the Prime Minister's harsh criticism of dissent on the fallacious plea that opposition to IJI policies somehow means opposition to Pakistan takes us back to the confusion and consequential chaos created by identifying the ruling party with the State.

Finally, considering the parlous state of the country's economy, it can be said that success of Government's policies will depend on how public funds are used and the extent to which their misuse can be checked. Ministerial talk of economy and austerity does not sound convincing in the absence of visible cuts in wasteful expenditure. Over the years, extravagance has become a national habit, encouraged among individuals by all sorts of corruption and in the case of government by the desire to sanction undue perks and concessions to loyalists on the strength of huge foreign and domestic loans. Pakistan has lived for so long on borrowed money, that few seem to realize that, at least in economic terms, it is living on borrowed time.

Liberalization Imperatives Viewed

91AS0920D Lahore VIEWPOINT in English 25 Apr 91
pp 22-24

[Article by Omar Noman; first paragraph is VIEWPOINT introduction]

[Text] If powerful groups are able to subvert direct tax reforms, protect their industries from competition and still take advantage of all the incentives being offered to private enterprise, they would have made a mockery of the current economic liberalisation programme.

Not for the first time, does the Pakistani economy appear to be facing a watershed. We are somewhat exhausted by tiresome reminders of how Pakistan was the Asian tiger of the 60s which never quite roared. Just as the economy was flexing its muscles, it was silenced by the fury of political upheaval.

After the dislocation and disruptions of the 70s, the economy regained its momentum in the 80s. During this decade, Pakistan's average annual growth rate of 6.5 percent was the fifth highest in the world. Even discounting the troubling population explosion, the aggregate growth rate was impressive. However, doubts about the sustainability of this growth performance mounted and were confirmed by a substantial decline in the growth of the economy during the last two years.

Market Orientation

Since the early 1980s, the Pakistani economy has been moving towards greater market orientation from a highly regulated system. Substantial progress has been made in deregulating investment controls and prices. Progress in other areas has been slower: the pace of denationalization has been constrained by political fears. Tax reform and trade liberalization have also not proceeded at the desired pace. A three-year structural reform programme started in 1988 and is being supported by macroeconomic and sectoral loans from the IMF and the World Bank.

So where are we and where should we be going? Are we on the brink of disaster or is Pakistan poised, yet again, to unleash the drive and dynamism that promises to

demonstrate its potential? Much of the optimism rests on the projected benefits to be derived from the liberalization of the economy. In this article, we shall examine the rationale behind the current phase. In this context, four features of our economy which are a constraint on sustained growth are worth noting.

(i) First, it must be emphasised that inefficiency is not a public sector monopoly. Our private sector may be more efficient than public enterprises, but Pakistan compares unfavourably with the private sector of efficient Third World economies. Part of the blame lies with the incentive structure. The trade and industrial policy regime has provided a protective cocoon for manufacturers producing shoddy goods for the domestic market. This bias was reflected in the Sixth Plan. Although the Plan's ambitious investment targets were met by the private sector, the investment did not go into the priority areas of export diversification and capital goods production.

The task of liberalization is not just to improve public sector inefficiency but also to address the issue of increased competitive pressures within the private sector. Pakistan's world share in the export of manufactured goods has gone down over the last two decades, a trend which must be reversed.

(ii) As far as the public sector is concerned, fiscal imbalances have emerged as a serious distortion and constraint. A deficit of 8 percent of the GDP [gross domestic product] is hardly sustainable. The inability to tax the rich and a destructively corrupt official machinery have led to a situation where the Government has become an economic liability. Debt-servicing and defence commitments compound our fiscal woes.

(iii) A key factor in economic development is the capacity to transform the material world through human thought and practice. This requires adequate investment in an education system. As is widely acknowledged, our education system has degenerated. While many of the talented Pakistanis have migrated, we have no domestic capacity to replace the gap left by the brain drain. It is somewhat unfortunate that our social sector development is comparable to many poverty-afflicted African nations, with lower per capita incomes. Our physical infrastructure is also a major constraint to widespread development.

(iv) The fourth variable is somewhat exogenous to economic policymaking but its impact on the economy can be devastating. Political instability, particularly the law-and-order situation, casts a troubling shadow over the economy. As the Japanese Ambassador candidly noted recently, Japanese businessmen want to come to Pakistan but "they do not like daily processions and kidnappings." Political instability has affected private sector behaviour for quite some time. A preference for short gestation projects, investments in real estate and trading are reflections of this phenomena.

Objectives: By the beginning of the 21st century, perhaps even earlier, the Pakistani economy will exhibit the following characteristics if the reform programme is successful:

i. The private sector shall be the key player in terms of output, job creation and capital formation. The large-scale manufacturing sector would be less wasteful in use of capital, not so protected and the creator of more employment than at present. The medium and small-scale sectors will be technologically less backward, more innovative and competitive both domestically and internationally.

The public sector would have denationalised extensively and would be concentrating on providing marketing and technical assistance to the private sector. Foreign private investment would have increased and Karachi would be emerging as a financial centre with extensive international linkages.

ii. Pakistan's balance of payments would be less vulnerable, through the development of a more diversified export base. Pakistan would be exporting higher value-added manufactured goods. The destination of exports would also have widened, with a special thrust in the Pacific countries such as Japan.

iii. Pakistan's economy would be growing at the rate of 8 to 9 percent. Such a pace would transform the country's economic structure.

Instruments: That is the vision underlying current attempts to reform the economy. In brief, make life tougher for those producing for the protected local market. Make it easier to import and, therefore, provide international competition. Policy discrimination against exporters will be reduced. Trade policy reform will encourage both more imports and more exports. How is the liberalization strategy to achieve the vision outlined above? An inter-linked package of trade, industrial tax and financial sector reforms are proposed.

Broad Objectives

What are the broad objectives of the liberalization programme? What reforms are needed in the incentive structure and what measures need to be taken to address the structural imbalances? The central component of the adjustment programme is an outward-oriented strategy for industry and trade. The aim of the programme is to expose domestic producers to foreign competition and to alter the incentive structure to eliminate or reduce the bias in favour of production for the domestic market.

An example will illustrate what the objective of increased domestic competition is trying to address. According to a recent study, Rs.[rupees]7 billion have been invested in the last two years to acquire modern equipment for spinning in the textile industry. But these units have substantial spare capacity and are producing low-count yarn. The cotton subsidy to spinners is giving incentives to produce 20-count, rather than the higher count fibres which the modern

equipment is capable of handling. China produces the same amount of low-count yarn with 60 per cent of our investment. Pakistani firms can ill-afford to use capital inefficiently. The current liberalization programme is designed to penalise such activities.

As far as trade policy reform is concerned, a principal objective is to restructure the tariff regime in order to reduce the protection currently given to domestic producers. Accordingly, the following reforms are proposed:

a. Reduce tariff rates, to a maximum of 50 percent.

b. Rationalise the import tax system. Currently there are five import taxes. Some, such as the Iqra surcharge and the import license fee, could be abolished. The scale of exemptions of import taxes is to be curtailed drastically to get a better across the board coverage.

c. Tariffs must not distort incentives for higher value-added production. There are instances where the imported inputs required for adding value are taxed too heavily, e.g., chemicals for bleaching garments.

Apart from increasing competitive pressures, the above measures will encourage exporters indirectly by reducing the protection given to those producing for the domestic market. In addition, exporters can be assisted directly through measures such as limiting exemptions of import taxes to exporters only. Other direct assistance to exporters would take the form of international marketing assistance, provision of trained technical and managerial manpower and supplementaries such as prestigious export performance prizes.

The key dilemma faced by the Government is how to reconcile the needs for trade policy reform with revenue generation requirements. Nearly 40 percent of GOP [Government of Pakistan] tax revenues come from trade. The trade liberalization measures will reduce tax revenues. The Government would need to raise resources from elsewhere. Thus, tax reform is intricately linked to the trade policy reform measures. The three requirements for tax policy reform in Pakistan are well-known and are summarised below.

First, revenue generation has to rely far more on direct taxes. Pakistan has one of the worst direct tax-GDP ratios in the world. The incomes of the relatively rich have to be taxed directly. Second, little progress in tax revenue generation will be made as long as the tax machinery remains so deeply infected by corruption. Finally, indirect taxes have to be spread more evenly. The sales tax has to be extended more widely to reduce its excessive reliance on imported goods.

Many of the measures for industrial policy adjustments for a more outward oriented economic structure are well under way. There are liberal tax concessions, and increased deregulation. Sanctioning procedures have been simplified as have the requirements for direct

foreign equity participation. The general thrust of industrial policy reform is towards a reduction in administrative control and protection. As far as its direct role in industrial production is concerned, the GOP is committed to large-scale denationalisation. A key policy issue remains reconciling the need to expose domestic producers to foreign competition, with the need to protect some 'infant' industries. The GOP also has to be careful that temporary protection does not become permanent.

Complementary Steps

The reform of trade, tax and industrial policies will need to be supported by complementary measures in other areas. These include:

- (i) Liberalization of the financial sector. The restructuring of this sector is based on a mixture of denationalisation to allow a dominant role for private institutions, development of new instruments and institutions such as investment finance banks and a better integration for Pakistan's financial sector with international markets. The financial sector may need to respond flexibly to the restructuring of corporate finances, as some companies will feel the pinch of liberalization. The Government will also be squeezed by the move towards market interest rates, as reflected in the auction of treasury bills. Up to now, the nationalised commercial banks have been acting as a source of cheap credit for the Government's borrowing requirements. This has affected the financial viability of banks as well as prevented tax reform, since the GOP had a cheap source of money which reduced pressure to raise more tax revenue.
- (ii) Better policy co-ordination among GOP departments. Five ministries, for example, are currently in charge of trade policy formation, a situation which, no doubt, could benefit from rationalisation.
- (iii) Concentration on the public sector's capacity to provide useful marketing information and technical assistance to the private sector. This would involve, inter alia, a more high quality and active role for commercial counsellors in embassies as well as an upgrading of public sector technical institutes, such as the Mental Industries Development Centre. Both these activities require extensive collaboration with private enterprise. In this regard, the Government could consider the establishment of a Ministry of Foreign Trade, with a central focus on a supplementary export development bank. The Ministry and the bank would provide marketing and financial assistance to the private sector.

Difficulties: An adjustment programme, such as the one outlined above, is not painless. The widespread economic restructuring that is entailed would involve multiple difficulties, five of which are worth mentioning. First, reconciling tax revenue generation considerations with trade reform involves bold initiatives to tax the richer segments of society directly. As long as the powerful groups affected are able to obstruct tax reform, measures to liberalise trade will be affected. In brief,

difficulties in reforming the tax system will limit the ability to increase the efficiency of domestic producers.

The second source of difficulty could be the position of balance of payments during the process of adjustment. Excessive domestic expansion leading to high import demand, or an inflexible exchange rate policy hampering exports, can lead to a balance of payment crisis. Quick disbursing balance of payment support from aid-giving agencies are likely to cushion such blows.

The third complexity arises from powerful private sector lobbies who will lose from such a liberalization. Some companies will go bust and the logic of its policies mitigates against a Government bail out of these firms. Owners of protected units may resist the opening up of the economy to foreign competition. If powerful groups are able to subvert direct tax reforms, protect their industries from competition and still take advantage of all the incentives being offered to private enterprise, they would have made a mockery of Pakistan's liberalization programme.

Fourth, the political dynamics of the adjustment are difficult to predict. In the short run, substantial unemployment may result from too rapid a denationalisation. Secure public sector employment is being reduced. If the liberalization programme begins to be viewed as a policy for the rich, and against the poor, the political fallout could be highly damaging.

The Government would need to tackle these sensitive equity issues carefully. Skill training schemes and a credit scheme for laid off workers to start their own businesses could be considered. Similarly, anti-trust legislation to curb the emergence of private monopolies would be the kind of measures required.

Finally, the country's law and order situation may so debilitate the private sector and foreign investors, that the reform programme may become unimplementable. Indeed, a vicious cycle could be unleashed by the current situation, whereby investment is concentrated in the Punjab and flees from troubled provinces, such as Sindh. Greater reliance on market signals will reinforce these tendencies. There are already worrying signs that ethnic tensions are accumulating within the business community.

The next decade will determine whether Pakistan emerges as a robust industrialising nation into the 21st century or whether its pressing socio-economic problems will subvert its potential.

New Industrial Policy Outlined

91AS0920J Lahore *VIEWPOINT* in English 25 Apr 91
pp 32-33

[Text] The Federal Minister for Industries and the Interior Chaudhry Shujaat Hussain announced the lifting of

restrictions on the import of industrial raw material and the components on the Free List and in accordance with the deletion programme.

He announced a package of incentives "to give a big boost to the industrialisation process."

He said that the new measures including numerous liberal concessions and simplifying the old lengthy procedures, had been recommended by the Committee on Industrial Policy and Investment [CIPI].

The Minister said a liaison would be maintained between the Defence Production Division and the Industries Ministry to take the existing vendor industries along and make efforts to create new vendors for the product used by the defence forces.

He said the Industries Ministry would formulate proposals to give extra incentives to engineering, electrical and pharmaceutical sectors for approval by the national Economic Council which would be incorporated in the Federal Budget.

Chaudhry Shujaat Husain said it had also been decided to enhance the limit of equity capital ceiling of Rs.[rupees]50 million to Rs. 100 million for companies.

He said the State Bank would issue instructions to development financing institutions (DFIS) to keep on advancing loans for working capital or make arrangements with other banks.

The Minister said that special plans would be formulated for the provision of physical as well as social infrastructure during the remaining part of the current Five-Year-Plan as well as provided for the Eighth Five-Year-Plan. This area would be given the highest priority to achieve self-reliance, he added.

He also waived restrictions on the payment of royalties, and technical fees. Entrepreneurs, he said, would be free to negotiate the terms and conditions which suited them. There would be no tax on the transfer of technical and royalty fees.

The Minister said a committee comprising Health Ministry and private sector experts had been formed to look into the causes of failure of basic and semi-basic manufacturing of pharmaceuticals and suggest measures for lowering drug prices.

The following measures were announced by the Minister:

Any change affecting the industrial sector enforced through certain CROS [expansion not given] or notifications issued by the Ministries of Finance, Commerce and the Central Board of Revenue would be issued after consulting the Ministry of Industries.

To watch the growth of major manufacturing sectors, a consultative committee will be constituted in the Ministry of Industries comprising representatives from the

private sector and members from the Ministries of Finance, Commerce, Science and Technology, the Planning Commission, the Central Board of Revenue, the State Bank and the DFIS. This committee would propose long term and short-term plans and determine growth design for each industrial sub-sector while ensuring smooth growth of these sectors as a whole. This committee would meet at regular intervals.

The Government would revise BMR [expansion not given] policy and imports of machinery against cash and increase its value by at least double the inflation rate every year.

To encourage the engineering sector which was subject to deletion programme, duty on parts and components imported for commercial use would be reviewed and enhanced. The Ministries of Commerce and Finance had taken steps to improve the system of duty drawbacks and would also examine the recommendations of the committee regarding reducing duty on the import of raw materials for engineering industry to zero and enhancement to intermediary and finished goods.

The Ministry of Industries would suggest to the Sindh Government to increase the present time limit of 4 and 16 hours to 24 hours for the clearance of goods in transit without payment of octroi at Karachi.

Better coordination should exist between Customs and Karachi Port Trust [KPT]. KPT must not use its discretion when the Customs had issued delay and detention certificate where approval against original assessment was accepted.

All SROS [expansion not given] and notifications relating to foreign investment, customs duties, sales tax, income tax and other concessions would be published by the Government on quarterly basis with full context and updated version.

Fiscal and non-fiscal incentives would be provided to encourage research and development activities. The Ministry of Industries would submit a proposal to the ECC in this regard.

There would be no restriction for work permit for managerial and technical personnel.

Efforts would be made by the concerned companies to train the local people to ultimately replace expatriates.

Special efforts would be made to provide Sui gas to industrial estates and growth points in Balochistan, the NWFP [North-West Frontier Province] and Azad Kashmir subject to the observance of basic economic criteria.

The present definition of backward areas was given a long time ago. The Government could redefine the backward areas keeping in view subsequent developments.

Garment units in the export process zone could buy textile export quota from the market subject to surrender of foreign exchange to the State Bank. However, it would not entitle them quota from the Government.

New Economic Policies Analyzed

91AS0760C Karachi JANG in Urdu 6 Mar 91 p 3

[Editorial: "Reforming Economic System"]

[Text] Prime Minister Nawaz Sharif has emphasized the importance of reforming the economic system and attaining economic independence from the day he was appointed to the position. He has also implemented some very important measures during the brief period of three or four months. However, the prime minister has accelerated his efforts because of the suspension of U.S. aid and the war in the Gulf. He highlighted some aspects of his government's plans in this area while addressing a special session of the IJI [Islami Jamhoori Ittehad] parliamentary party on Monday. The prime minister announced that his government will not levy any new tax on the common people while planning to improve the economy and production. Neither the economy of deficit will be practiced nor will they increase any unproductive expenses. The step to reduce the deficit is very important. Instead of increasing production and decreasing expenditure, printing money to meet the shortage will only result in increase in money supply and prices. In the past our governments have taken the easy route of practicing deficit economy for solving economic problems and never implemented any plans to increase production and the real income. Since our prime minister comes from a distinguished industrial family, it is expected that he will use his experience and take steps in finding solid and permanent solutions to our nation's economic woes. Since government interference in industry and trade has also hurt our economy, it is important to encourage the private sector in developing industry and to limit the government's role to forming policies. There might be some problems in the beginning, but this will help put the nation on a strong economic foundation in the long run. Not only the industrial and trade sectors of the nation but also the foreign investors interested in Pakistan are welcoming this step. The government should take advantage of this interest. The government should adopt a policy of giving as much freedom in the area of energy, petrochemicals, heavy engineering, and electronic technology. It should encourage the production of such items which cost us too much in foreign exchange to import. The elimination of the communist bloc, the Gulf war, and other international and regional changes have caused some temporary problems for us, but also have offered unlimited opportunities for collaboration in the areas of industry and trade. These have also increased opportunities to export skilled labor to other countries. The government is aiming to increase exports by 20 percent in order to offset the import expenses. A weekly increase of 20 to 25 million rupees in foreign exchange because of some radical changes in foreign exchange laws looks like a

positive step in this direction. Similarly, the decision to force tax evaders to pay taxes instead of putting this weight on low income people, thus putting an end to tax evasion, and increasing government's income can bring about positive results. A serious review would tell us that our real problem is not the dearth of resources but the erroneous and weak government policies which have resulted in dishonesty, careless spending, decreasing production and other ills. Similarly, one reason for our economic woes is the billions of rupees spent to keep the industry and production organizations under the government supervision functioning. The confidence of the private industry has been shaken because of the trend to nationalize large industries. The former governments could not even provide energy and the fundamental framework for improving industry and production. It was useless to expect ending the industrial and production inactivity just by granting tax reliefs. However, by the grace of God our nation is still respected enough in the international market that if we make good decisions at the national level, we can easily solve the problems of foreign debts and unemployment. However, while the government must take the private sector into its confidence and encourage it to work toward the nation's interests, the opposition and other political parties have the responsibility to cooperate with the government and not oppose the project initiated to assist the people just for the sake of opposition. We believe that these economic reforms depend to a great extent on political attitude. If our politicians would give up the extremely negative irresponsible habit of acquiring fleeting laurels and begin to think having the national interests in mind, we will get rid of not only our unnecessary political problems but we also solve economic crisis in a short time. It is a fact that Mian Nawaz Sharif's government has the responsibility for solving all these problems. He must make sure that any decisions made for the nation are strictly implemented. He must not let delays and procrastination hinder his plans. As the results of these actions begin to emerge, the propaganda against them will become weaker.

Pirzada Interviewed on Indus Accord

91AS0920F Lahore VIEWPOINT in English 25 Apr 91 pp 29-30

[Interview with Abdul Hafeez Pirzada by Zafaryab Ahmed; first paragraph is VIEWPOINT introduction]

[Text] Mr Abdul Hafeez Pirzada, a Federal Minister in the first Bhutto Government and now a central leader of the Pakistan National Party, was in Lahore recently. As Minister he had dealt with the vexed rivers waters issue, and Zafaryab Ahmed asked him for his views on the Indus accord announced by the Nawaz Sharif Government.

VIEWPOINT: You have been Minister for Provincial Co-ordination. Where you failed, the present Government has succeeded. What do you now think of the water

apportionment accord, which the Government considers to be its historic achievement?

Abdul Hafeez Pirzada: It will take a hell of a lot more to make it a historic achievement. However, the Government has taken a bold step. The principle involved is appreciable. The initiative indicates that the Government's sense of priorities is correct. The accord, however, is still a paper accord. So many question marks have been left. With hindsight I can say, and without any fear of contradiction, that the accord has been signed with undue haste. If they think that fiddling with figures can bring about the desired results, well, it will not. This is what precisely has happened.

VIEWPOINT: What exactly has happened?

AHP: Four or five crucial issues and procedural principles have been totally ignored.

This accord has to be between historic territories and historic provinces. It is the right of the people inhabiting these lands to settle these issues. Therefore, the accord should be made so as to fulfil the aspirations of the people living in the different provinces. But the accord has been reached between the Governments. In order to give proper status to the accord it should have been made in accordance with the provisions of the Constitution, which says that the ultimate authority in such matters is Parliament in a joint sitting. No doubt, the Council of Common Interests (CCI) can take decisions on such matters. But if a person or a party disagrees with that decision, then there is no choice but to take the matter to Parliament in joint sitting. It is not that there was a dispute which came up and the Chief Ministers sat and resolved it. The dispute has existed at least between the Punjab and Sindh for the last 70 years. Now other provinces have also come into it. In 1976, we failed to resolve the issue. I was myself the Minister concerned. The elections were coming, and we chose the easy way out and referred the dispute to a committee under Article 125 of the Constitution. But in the present case, the CCI should have taken a decision and left it to the provinces or the federal Government to take the matter to Parliament. The Chief Ministers, pre-empting the whole procedure, sat down to discuss and endorse the report given to them by their engineers and other technocrats. The original accord has the signatures of the engineers and Ministers. Interestingly from two provinces there are finance ministers, from one province there is a law minister, from another province it is the interior minister, so we do not know why it was found necessary to sign it in such a hurry.

VIEWPOINT: What should have been done?

AHP: If you want to make an accord between the people and provinces, it should have been debated on the floor of the House. The Government represents the majority view; it does not represent the entire people. It is essential that the accord should be acceptable to the people of Sindh. If it is accepted it will gain legitimacy, durability and morality. If that is achieved, nothing can

be more integrating than this accord. But, God forbid, if that is not achieved, this can be the most fissiparous and divisive factor. Therefore, the Pakistan National Party, after deliberating on the matter, has appealed to the Prime Minister as Chairman of the Council of Common Interests to take the matter before the Parliament and have it debated there. If there are any grievances, these should be brought up. The Prime Minister has shown sagacity in taking up the issue; we must give him credit that he has not shelved it like the previous governments. Now he must take the accord to Parliament. It is essential that we look at the accord from the point of view of Sindh.

VIEWPOINT: Why only Sindh?

AHP: Because [of] two or three issues. The positive side of the accord is the principle that water must flow downstream of the Kotri Barrage, the last of the barrages on the Indus, into the sea has been accepted. This flow is crucial to keep the flora, fauna, environment, subsoil water and the forests alive in the lower regions of the river in Sindh. But what they have failed to determine is the quantum of water. The water that flows to the sea comes from a common pool. Unless you determine how much water must flow down to the sea, you cannot know how much water is available for apportionment. So this is what they have not done. The water required to keep the region alive is 10 MAF. This is roughly what the Tarbela Dam stores. Sindh has never budged from it. How does it know how much water is available? Sindh is very agitated at this, particularly at the opinion being expressed after the signing of the accord that instead of allowing water to go downstream, an engineering solution can be found. The Additional Secretary to the Government of Pakistan in the Ministry of Water and Power said this three weeks ago. It has been accepted that apportionment will be on the basis of the use of water between 1977 and 1982, irrespective of the fact whether supplies were sanctioned or not, even whether they were allocated or not, even if there was over-sanctioning and over-allocation. The Punjab has been the main beneficiary. It has been diverting more water, and this has been a bone of contention between it and Sindh.

When the British built Sukkur Barrage, they had said if you do not construct outfall drains on the right and the left bank, the whole upper Sindh shall become waterlogged. An outfall drainage project was sanctioned long ago. Its allocations were sanctioned by the National Economic Council and the executive committee of the Gudda Project. The World Bank sanctioned funds for it, and it is under implementation. Now it is very surprising that in respect of this project, Sindh has not yet been assured anything. Sindh has demanded 2.2 million acre feet of water for it. Some component of it may come from the flood water but that wouldn't be able to meet Sindh's requirements. At least 1.55 MAF of water is needed to keep it running. It must run the whole year round, otherwise it will silt up. This water has been denied and the accord says that Sindh should get this

water from flood supplies, which is a contradiction. The floods are there only for two or three months. What will Sindh do afterwards? Give away some of its projects?

Sindh has a very strong case for additional 1.53 MAF of water for the Left Bank Outfall Drain. The Right Bank Outfall Drain has not even been considered. Not much water is available even to meet the requirements of a project like Kalabagh Dam. The fate of Kalabagh, which was being initiated also as a dual purpose project, has been left vague. This is causing very serious concern. Unless the provinces agree to share the pool, the dam cannot be constructed. Why has it been left uncertain?

Another factor has been lost sight of. Nobody seems to have taken notice of the fact that there is no subsoil water in upper Sindh. Unless there are floods, water does not spread and, secondly, there is no rainfall. So without rainfall more water is needed to prevent waterlogging and save our habitat and the environment. In assessing the total availability of water, the massive subsoil or sub-terrain presence of water in the Frontier and the Punjab has not been taken into account. This is not realistic.

VIEWPOINT: Each province appears to be quite happy. The impression that one gets is that each province has got some extra water and will be able to irrigate its land, will grow more....

AHP: Where has this water come from? We have got data for the last 100 years. The Indus has fluctuated between 92 MAF and 64 MAF. The fluctuation is so enormous. The tributary system on the Indus provides something like 30 to 40 MAF. The overall fluctuation is between 90 MAF and about 140 MAF. All that is being said is nothing more than a public relation exercise. No-one knows where the extra water will come from. It is said that some water was being wasted by being allowed to run into the sea. But that some water must go into the sea is necessary to prevent the sea from coming in. Today, it is all the more important to protect southern Sindh because of the agriculture there, the green revolution. Districts like Thatta and Badin are producing value-added crops like sugarcane, chillies, vegetables. So, when you say every province will get increased water, has the accord increased the pool? Have the Himalayas started to precipitate more snow? Has rainfall in the Punjab increased? I suggest that they should be more realistic. They should educate the people, that we will plan and produce, that we will conserve water. This can be done by measures like lining our canals, preventing wastage, and remodelling the existing barrages?

VIEWPOINT: Why couldn't previous governments decide the water apportionment issue?

AHP: We had inherited very hardened views from the martial law days. Ayub Khan was more interested in the integration of West Pakistan. Some very dominant views had come into being. The provinces had ceased to exist. All the planning was done in Lahore. The massive projects of the late 50s and the early 60s were the link

canals in the Punjab and the construction of Mangla Dam, etc. Attention was on the diversion of water from the western rivers to the eastern rivers in which Sindh did not feature very prominently. At one point, the thinking of technocrats and engineers of the West Pakistan Government was that it would be wrong to allow any water to flow down from the Taunsa-Panjnad exit.

Now this is what we inherited in December 1971 when we formed the government. It was a very polarised situation. Sindh had come back as a province after 14 or 15 years, with a tremendous sense of grief and deprivation. It swung to another extreme. It demanded 25 to 30 percent more than what it got, demanding that the loss of water from the eastern river due to diversion by India to be also made up. So the position was totally polarised and no side was willing to budge. We desperately tried to find a solution. But in 1976, the effort had to be given up. The best we had been able to achieve was in 1972 when I, as Minister for Co-ordination, brought about an ad-hoc settlement over distribution of the Chashma reservoir and some small pondages at some 50 or 60 places.

After that this factor of new elections determined the future course. The political leadership felt that this was the stick with which they could be beaten if water became an election issue. I am coming out straight. Why the issue was referred to a commission was to avoid dealing with the issue at that stage.

New Indus Water Accord Criticized

91AS0920H Lahore VIEWPOINT in English 25 Apr 91 p 31

[Text] As the euphoria over the Indus Water Apportionment Accord (every IJI [Islamic Jamhoori Ittehad] Government measure is followed by an assiduously created euphoria) dies down, stark realities reassert themselves.

Two Sindhi dailies of Hyderabad organised a seminar on the accord on April 14. It was attended by almost all sections of Sindhi opinion—the Jam Government, the PPP [Pakistan People's Party], PNP [Pakistan National Party], the Sindhi Ittehad of Rasul Bux Palijo, all groups of the Jeay Sindh Tehrik, Sindhi Adabi Sangat, Sindh Democratic Group, World Sindhi Congress, the Sindh Chamber of Agriculture, the Sindh Qaumi Inqilabi Party, etc.

During the eight-hour-long session, the accord was defended by the provincial Law Minister, Syed Muzaffar Shah, who had negotiated and signed it, and Sindh Irrigation Secretary Aalim Baloch. However, the participants could not be convinced that the accord had apportioned water equitably among the four provinces. They asserted that Sindh had not been given its due share and those who had worked out the accord and accepted it were traitors to the cause of Sindh. It was a case of the Sindh Government being pitted against the rest of the participants.

The Accord presumes the availability of usable Indus water of 114.35 MAF.

The participants were disappointed that the whole Indus Basin was not considered as one water unit. The available water of the four eastern rivers, the underground water resources and the rain water were excluded from apportionment. The presumption of Indus water availability of 114 MAF is based on fiction. It is not mentioned how this estimate is arrived at. All the existing records and studies had put the available volume at between 100 and 104 MAF. The result of the apportionment of the non-existent 'available' water will be that the Punjab and the NWFP [North-West Frontier Province], being upper riparians, will draw their apportioned volume of 61.72 MAF and the shortfall of non-existent water will fall to the share of the lower riparian Sindh, which would draw about 38 MAF—10 MAF less than what is supposed to have been given to it. Questioned as to how the figure of 114 MAF had been obtained, the Sindh Irrigation Secretary could not explain his position.

Unofficially, it is said that the additional 10 MAF would become available when canals and water courses have been lined with cement. It may be so, but the question is where are the billions required for this gigantic work to come from and how many decades it would take.

The Law Minister and the Irrigation Secretary were equally unconvincing on the lack of allocation of water for the Left Bank Outfall Drain (LBOD) which is a World Bank financed project and for which 1.35 MAF water was committed. It is now left to flood water. Similarly, no allowance has been made for flow of water below the Kotri Barrage and into the sea to keep it from encroachment on the cultivable land of the delta. According to the participants, at least 10 MAF is required for this purpose.

While in case of the NWFP, water is committed for projects which are under implementation, no such consideration has been shown in the case of Sindh.

The Water Apportionment Accord is a decision that smacks of One Unit. It has provided a plausible ground for unified agitation in Sindh. The PPP announced at the seminar that it would soon call an all-party conference on the subject. The Sindh Government was also forced to commit that it would present the accord in the next Assembly session for discussion.

Sindhi opinion is almost unanimous in favour of the 1945 Sindh-Punjab agreement on water distribution which had apportioned 70 percent of the Indus water to Sindh and 25 percent to the Punjab and 75 percent of the other five rivers to undivided Punjab and 25 percent to Sindh. With the World Bank Indus Basin Treaty and the new IJI accord, the situation has drastically changed and to the disadvantage of Sindh. The entire volume of the five rivers—the Jhelum, Chenab, Sutlej, Ravi and Beas—is appropriated by the Punjab—Pakistani and Indian—and 48 percent of the Indus water.

Lahore: Illegitimate Land-Grabbing Increasing

91AS0920C Lahore VIEWPOINT in English 25 Apr 91
p 13

[Article by Adnan Adil: "Land Grabbers at Work"]

[Text] Lahore—Many reports have recently appeared in the Press regarding the illegal occupation of valuable land by professional and often influential encroachers, having strong political links. Lahore's famous Ahmad Mansions (formerly Laxmi Mansions) figured prominently when its residents protested about the high-handedness of an influential person of the ruling Muslim League and a relative of Prime Minister Nawaz Sharif who allegedly wanted to occupy this multi-million rupee building by harassing the tenants out of possession.

Now it is the turn of a poor 93-year-old man who happens to own a house worth Rs.[rupees]4 million in Rawalpindi. No-one in the last 43 years had ever bothered to challenge the ownership of the house but last year Government suddenly asked the near-centurion to prove his title to the house. Mir Badruddin, the old gentleman who had retired as a major from the British Indian Army, lives in house No. P/1616 Asghar Mall, Rawalpindi, with his 75-year-old wife. There is no-one to look after the old couple. Their children are abroad and have not seen them for the last 15 years.

The old man's woes started when he filed an ejectment suit with the Rent Controller, Rawalpindi, seeking vacation of the upper portion of his house occupied by a tenant, Sheikh Muhammad Ashraf. Soon after, he received an order from the Deputy Administrator, Residual Property (DARP), Mr Athar Husain Sial, asking him to prove his title to the property. This in spite of the fact that under the law, the official is not authorised to do so.

Nevertheless, Mir Badruddin introduced in evidence the documents establishing his title to the property. However, the Deputy Administrator is sitting over the case. Mir Badruddin alleges that in league with the authorities, his tenant wants to litigate him out of his house.

The old man had presented a certified copy of the sale deed dated 1935 and a municipal city plan of the same year along with the rent note to the Deputy Administrator with the plea that the house was Muslim property ever since and had never become part of the compensation pool after Partition. Nor was it ever listed as an evacuee property with any department.

The tenant, Sheikh Ashraf, had never before claimed ownership. Only when he was served with an eviction notice did he move the DARP to question Mr. Mir's proprietary rights.

This is by no means an isolated case of legitimate owners being deprived of their property. Land-grabbers are at work all over the country and they have powerful patrons.

Editorial Urges Economic Relations With USSR*91AS0760A Karachi JANG in Urdu 1 Mar 91 p 3***[Editorial: "Possibilities of Regional Cooperation"]**

[Text] The awareness of the need for economic cooperation and political understanding is increasing now with the political changes in this region. The same need has led to the establishment of many organizations [in other parts of the world]. The establishment of the Common Market in Europe and the ASEAN in the Far East are examples of this effort. These countries have made exemplary progress in industry and trade through these collaborations and have eradicated poverty from their regions. Meanwhile the subcontinent and the Southwest Asia have become a market for selling arms made by the big powers and a center of tension. Pakistan itself is suffering from a serious economic crisis. Our nation already has very small foreign exchange reserves because it did not export much. The Gulf war further hurt the export trade. The return of Pakistanis working in those countries, the increase in oil prices, and their effect on Pakistan's politics and trade have ruined Pakistan's economy. The situation is improving now. Shah Fahd has offered to provide 50,000 free barrels of oil daily for three months. This will save Pakistan \$100 million. Pakistan also has been assured of help to meet its foreign exchange needs. All this will help Pakistan to solve its oil and foreign exchange crises.

A policy issue over employment between Pakistan and Kuwait was resolved recently. Accordingly, Pakistan will supply 130 thousand workers to Kuwait. Pakistan will send 53,000 workers as the first part of the quota. These workers will also be granted Kuwaiti citizenship. Pakistan used to purchase most of its oil from Kuwait at reduced rates. Kuwait has praised Pakistan for its policy during the recent crisis. It will be for our government to decide what role it will play in Kuwait's rebuilding program. Kuwait and other Gulf countries can become a big market for Pakistan's manpower and products.

A Soviet parliamentary delegation toured Pakistan recently as the USSR is also moving toward a free economy. Pakistan's exports have traditionally exceeded its imports from the Soviet Union. Pakistan exported goods worth between 1,500 and 1,800 million rupees and imported Soviet goods worth 600 million rupees. The balance of the trade between Pakistan and the Soviet Union has always been in Pakistan's favor. The Soviet Union can be a good market for Pakistan's textile industry as the United States has established a quota system to protect its economy. The Soviet Union has made a remarkable progress in the area of steel, power generation, and machine tool industry. Pakistan can collaborate with the Soviet Union in establishing heavy industry and power generation. The Soviet Union has already helped in building a steel mill in Karachi. It has also suggested that Pakistan can trade directly with other Soviet states and also establish a consulate in Tashkent. Pakistan should take advantage of this offer and take

practical steps in increasing trade with the Soviet Union. Iran has also deposited \$50 million in Pakistani banks and has offered large scale cooperation in mutually beneficial economic programs. Such offers are also being made by other nations. The ministries of planning and trade should study these offers carefully and plan accordingly so that more and more Pakistani manpower is used abroad, foreign exchange reserve is improved, and foreign trade is increased.

Editorial Calls for Nuclear Cooperation With Iran*91AS0716B Lahore NAWA-I-WAQT in Urdu 26 Feb 91 p 10***[Editorial: "Iranian Speaker's Visit to Pakistan"]**

[Text] The Speaker [of the Majlis] of the Islamic Republic of Iran, Mr. Mehdi Karubi, is visiting Pakistan during such a turn of events in the world affairs, when the Islamic community's non-Arab is facing serious challenges and the regional security is facing imminent danger. Although, large oil fields are located only in Iran, in addition to deposits of other mineral resources, the geographical location of these Islamic countries in the vicinity of Soviet Russia is also very important. If Iraq did not achieve a reasonable success in the Gulf, then America and its designated Jewish and Christian lobbies will stay in the Gulf and will not waste any opportunity of sabotaging the independence, security, and mutual unity of these Islamic countries. In the event of success in the Gulf, the appetite for regional conquest can reach extreme madness in America and Israel. During these extremely dangerous times, the visit of the honorable Speaker of the Iranian Majlis to Islamabad has extraordinary importance. From this we can sense that the Iranian leadership is keeping an eye on emerging political and military developments and, for regional interests, it is closely watching the situation of national unity. For centuries, Pakistan and Iran have had religious, spiritual, and national cooperation. There are different on-going pacts between the two countries. But, now along with these pacts, harmony of intentions is necessary and for that it would be appropriate to conclude special pacts. In Pakistan nuclear education is not available because we have been relying on "foreign sources." The doors to these sources have now been closed on Pakistani students. Pakistan's future is linked to nuclear education. It would be beneficial to regional independence and security, if Iran and Pakistan cooperate and conclude major pacts in nuclear education for joint syllabus, joint instructions, and joint laboratories. Along with it, mutual cooperation in trade and defense should be rapidly increased, so that, based upon mutual unity, Iran can gain enough power to stop Soviet aggression in the neighboring Azarbaijan and, on the other side, Pakistan's defense and security responsibilities in Afghanistan and Kashmir do not lag behind. What is most important is to have new opportunities for a joint military role between Iran and Pakistan. Both countries will have to decide whether this military role would be more appropriate as a defensive role or as having a more

aggressive, revolutionary, and belligerent tone. We believe that it should not have a "belligerent tone." Rather, it is necessary to have belligerent capabilities and resources. Under the circumstances, with belligerent resources, the cautious planning in life and defense and a deathlike feeling cannot be successful [sentence as published]. The backbone of the superpowers, which are still in the Gulf continuing their political shelling on Iran and Pakistan, cannot be broken. We believe that a closer military cooperation between Iran and Pakistan is just a matter of time and both countries should pay closer attention to it.

Editorial Demands Implementation of Shari'ah Laws
91AS0760D Karachi JASARAT in Urdu 9 Mar 91 p 5

[Editorial: "Agreement or Denial on Shari'ah?"]

[Text] The people of Pakistan, especially in Muslim circles, were greatly pleased when the Islamic Jamhuri Ittehad (JI) won the elections and Mian Nawaz Sharif was appointed prime minister. The people were sure that the issue of implementing Shari'ah [religious rule], which was suspended during General Zia and Mohammed Khan Junejo's regimes, will be resolved now as the JI had won the elections on this very promise. It was believed that the new government would get the Shari'ah bill passed in the Parliament and implement it without any delay. However, it is unfortunate that nothing has been done in this regard even though several months have passed. The attitude of the government clearly indicates that it will delay implementation of a religious rule even further. Mr. Nawaz Sharif has hinted about this delay by announcing that the government is trying to get more agreement on this issue. As if Shari'ah rule could not be implemented without popular agreement.

There is no doubt that implementation of Shari'ah laws is a very important issue and there can be disagreement on the strategies of its implementation. However, there is no person in the nation who opposes an Islamic form of government. The Shari'ah bill presented in the Senate has been amended and revised many times to make it acceptable to various groups. How can an agreement be possible if some group of sect is still opposed to it? Such an agreement could become a permanent excuse to postpone this bill as it is impossible to pass any issue unanimously. Also, everyone agrees here on an Islamic rule and the Koran. The disagreement could be only minor issues and the method of implementing the Shari'ah laws. The parliament is there to remove such disagreements. The government should keep in mind that this issue cannot be postponed by such delay tactics. The people are aware of it and their patience could get out of control anytime. The prime minister should address this very sensitive and important issue before there is a political upheaval.

Editorial Urges Manufacture of Nuclear Reactors
91AS0771B Karachi JANG in URDU 17 Mar 91 p 3

[Editorial: "Statements About Atomic Reactors"]

[Text] The news about Pakistan's capability to manufacture nuclear reactors has been circulated repeatedly. This is welcome news that Pakistan has made so much progress in this area that it is capable of manufacturing reactors on its own as it will help us meet our electricity needs. However, no follow-up is reported after these statements are made. How much time will it take to have this reactor reach production stage? Pakistan is facing a serious energy crisis. There is never enough electric power supply. Insufficient supply of electric power causes reduced industrial production and shutting down of tubewells which in turn reduce agricultural production. The nation loses billions of rupees in these two areas. The government has formed a plan to accelerate industrial production in order to reduce unemployment, put an end to imports, and to become self-sufficient. The question arises: If there is not enough electric power for the present industrial plants, where will we get electric power for new factories? It is important that we implement plans to generate nuclear power to meet our future needs. We do not understand the purpose of issuing such statements periodically. The nation should be told why this project is being delayed or small nuclear reactors be built to meet the shortage of electric power. This will tell the people that something is being done. The nation will not gain anything from idle statements alone.

SRI LANKA

'Myopic' Arms-Control Policy of West Criticized
91AS0909A Colombo THE ISLAND in English 29 Apr 91 p 4

[Article: "Arms Sales: Idealism and Realism"]

[Text] It is now almost ten months since hostilities recommenced between the Sri Lankan Government forces and the LTTE [Liberation Tigers of Tamil Eelam] and it is evident the LTTE is still very much a potent fighting force particularly in the North. They continue to attack the military outposts in the Northern Province although many a time they have had to retreat leaving behind and carrying away large numbers of the dead and wounded, comrades.

A conflict of this nature is usually long drawn and brings untold misery to the people caught up in it. A negotiated settlement is the ideal that should be striven for but time and again it has been proved that such a settlement is possible only when one party to the conflict realises that a much better deal can be obtained through negotiations at that stage rather than at a later date when their military clout and bargaining power will be considerably weaker.

The Sri Lanka armed forces are in a much better position today with regard to manpower than what they were a few years ago. But, they still lack armaments required for a conflict of this kind.

Our lead story yesterday said that the armed forces were now in possession of artillery guns which have been used to their advantage in recent weeks. It was also reported that infantry fighting vehicles are to arrive soon and they will enhance the mobility of the army.

It is well known that there are many obstacles placed in the purchase of such armaments because of the reluctance of those nations manufacturing them to sell them to the Sri Lankan government. Human Rights concerns are expressed although it seems ludicrous in the context of how the deadliest of weapons were deployed by these very nations in the recent Gulf war. Human Rights and civilian casualties were certainly not the highest priority of the anti Iraqi forces, when Iraq was reduced to shambles.

On the other hand it is evident that the LTTE is able to purchase armaments most of which are manufactured and even shipped from these very countries who do not want to sell arms to Sri Lanka. Admittedly, the LTTE obtains its armaments from illegal arms markets and the governments have no hand in such sales. But terrorism and gun running are acts which western governments are sworn to prevent. If so, the question should be asked what moves these governments which describe themselves as friends of this country, have taken to prevent

the influx of arms to this country. Recently, Malaysia, a Third world country seized a large consignment of weaponry to be shipped to Sri Lanka. But how many western nations have helped us in this manner?

Intelligence services of the big powers keeping watch on international gun running is no secret. Thus, the least those do-gooder nations who refuse to sell us arms and prevent other nations willing to do so, can do, is to prevent the flow of arms into the North and East of this country. This myopic policy of preventing purchase of arms by the Sri Lanka Government while turning a blind eye to Tiger purchases from illegal arms markets is one of the main reasons for the protracted conflict in the North and East.

The Sri Lanka Government has always been open to negotiations. President Premadasa on Saturday addressing the Lions Club International reiterated his determination to restore peace "through negotiations or determination." In a civil conflict a negotiated settlement is best. But it is evident from the behavioural patterns of the Tigers that they are willing to sit down and talk, only when whipped into their senses. It was only when the IPKF [Indian Peacekeeping Force] finally did corner the Tiger that they expressed willingness for negotiations.

Those individuals and nations who wish to see an end to this bloody conflict can help it end quicker by mixing their idealism with a fair degree of realism.

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